State of Washington COMPREHENSIVE ANNUAL FINANCIAL REPORT for the fiscal year ended June 30, 1990.

S8345-3-u

"EAGLE IN THE MIST", *our cover art, reflects an Orca whale with an embossed "eagle" emanating from the whale's blown mist. A human figure rides on the back of the whale.*

This art work is a recent endeavor by Marvin Oliver. Known internationally for his contemporary imagery, Oliver creates works in metals, glass, wood, and paper.

His works on paper take on a sculptural approach by combining a silkscreened image with embossed motifs, accentuating the bold swelling forms of the Northwest Coast style.

Designs such as these are typically painted black, red and blue and symbolize various family or mythical crests associated with the tribes and extended families along the coast.

STATE OF WASHINGTON
Booth Gardner, Governor

COMPREHENSIVE ANNUAL FINANCIAL REPORT

for the fiscal year ended June 30, 1990

Prepared by
Office of Financial Management
Len McComb, Director

Olympia, Washington

COMPREHENSIVE ANNUAL FINANCIAL REPORT
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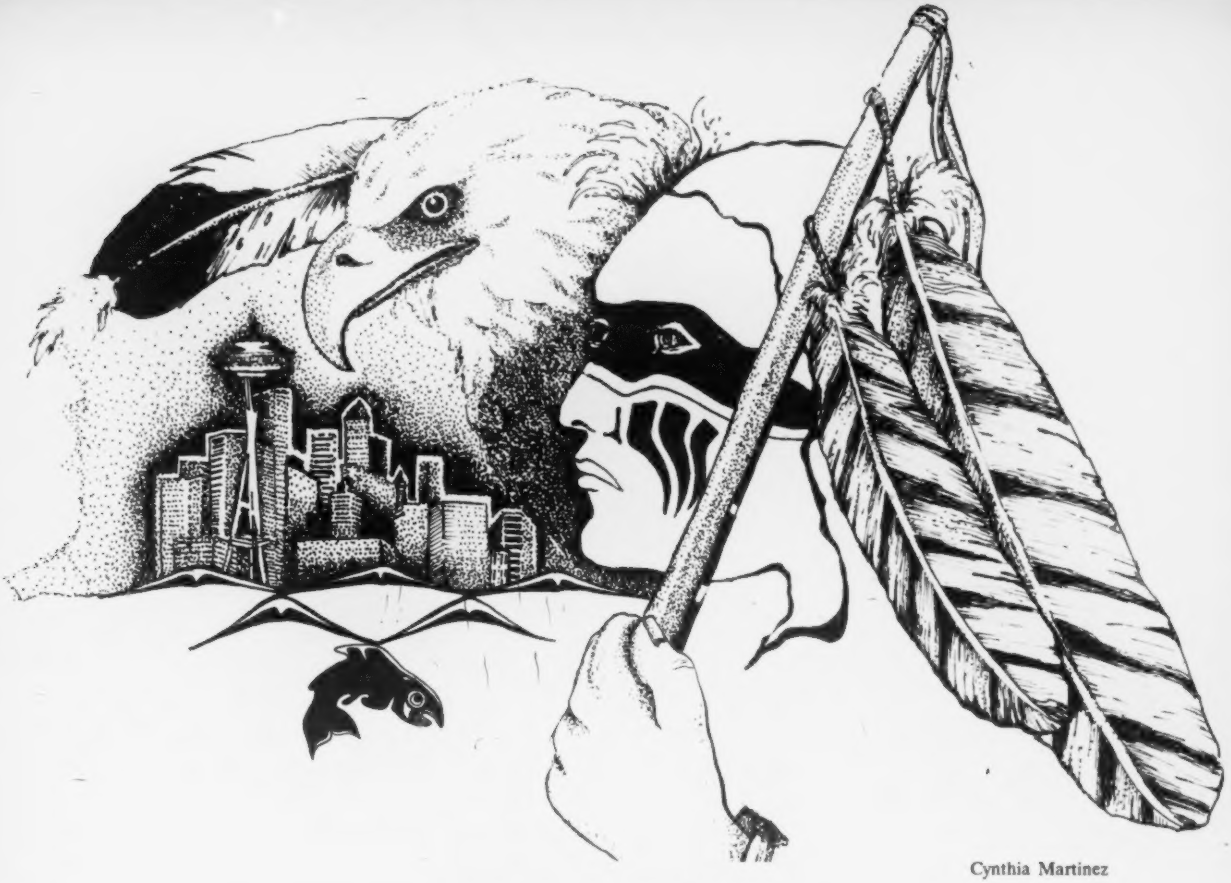


Cynthia Martinez

The Words of Chief Seattle

Every part of this soil is sacred, in the estimation of my people.
Every hillside, every valley, every plain and grove,
Has been hallowed by some sad or happy event in days long vanished.
Even the rocks, which seem to be dumb and dead as they swelter in the sun along the silent shore,
Thrill with memories of stirring events connected with the lives of my people,
And the very dust upon which you now stand responds more lovingly to their footsteps than to yours,
Because it is rich with the dust of our ancestors
And our bare feet are conscious of the sympathetic touch.
Our departed braves, fond mothers, glad, happy-hearted maidens,
And even the little children who lived here and rejoiced here for a brief season,
Still love these sombre solitudes
And at eventide they grow shadowy of returning spirits.

And when the last Red Man shall have perished,
And the memory of my tribe shall have become a myth among the white man,
These shores will swarm with the invisible dead of my tribe,
And when your children's children think themselves alone in the field,
The store, the shop, upon the highway, or in the silence of the pathless woods,
They will not be alone.
In all the earth there is no place dedicated to solitude.
At night when the streets of your cities and villages are silent and you think them deserted,
They will throng with the returning hosts that once filled them and still love this beautiful land.
The White Man will never be alone.

The Suquamish Museum

INTRODUCTORY SECTION

STATE OF WASHINGTON

OFFICE OF FINANCIAL MANAGEMENT

Insurance Building, M.S. AQ-44 • Olympia, Washington 98504 • (206) 753-5450

December 28, 1990

The Honorable Booth Gardner, Governor
Members of the Fifty-Second Legislature
State of Washington
Olympia, Washington 98504

In accordance with Chapter 43.88.027 of the Revised Code of Washington, it is my pleasure to transmit to you the COMPREHENSIVE ANNUAL FINANCIAL REPORT of the state of Washington for the Fiscal Year ended June 30, 1990. This report has been prepared by the Office of Financial Management. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the state. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the state. All disclosures necessary to enable the reader to gain an understanding of the state's financial activities have been included.

The report is presented in three sections: Introductory, Financial, and Statistical. The Introductory Section includes this transmittal letter, the state's organizational chart, and photographs of our elected executive officials. The Financial Section begins with the State Auditor's report and contains the general purpose financial statements, notes to the financial statements, combining financial statements by fund type, schedules for account groups, and other schedules. The Statistical Section includes selected financial, economic and demographic data.

The state provides a wide range of services. These include education, social, health, transportation, environmental, law, public safety, resource and recreation development, public improvement, and general administrative services. The accompanying report includes all funds and account groups for which the state exercises oversight responsibility. The determination of "oversight responsibility" is based on criteria established in the Codification of Governmental Accounting and Financial Reporting Standards, section 2100. Note 1.A to the combined financial statements explains more fully which potential component units are included and excluded from the reporting entity.

ECONOMIC CONDITION AND OUTLOOK

FISCAL YEAR 1990 ECONOMIC REVIEW

Fiscal Year 1990 was a very good year for the Washington State's economy. Non-agricultural employment increased by 105,000, a gain of 5.3 percent over Fiscal Year 1989. This was the largest increase in state employment since the 1970's. By comparison, employment nationally increased 2.3 percent during the same period.

Growth occurred in most major sectors of the Washington economy during Fiscal Year 1990. Manufacturing employment increased by 4.5 percent during the year, primarily because of an increase of over 8,000 jobs in aerospace. The Boeing Company, which employs over 90 percent of Washington's aerospace workers, had a record backlog of orders at the end of Fiscal Year 1990. Several other manufacturing sectors, such as food processing, pulp and paper, machinery and computer equipment, printing, and chemicals also experienced strong growth during the year. The weakest manufacturing sector in Fiscal Year 1990 was lumber and wood products. This industry was hampered both by declining demand nationally for new housing, and by the loss of timber supply due to environmental and long-term supply concerns.

Non-manufacturing sectors of the state economy also enjoyed an excellent year during Fiscal Year 1990. Construction employment increased by nearly 12,000 during the year, as the number of housing units authorized by building permits in Washington rose to the highest level since the 1970's. This was due to the strength of the state's economy and the large number of individuals moving to Washington as a result of employment opportunities. Between April 1, 1989 and the same date in 1990, it is estimated that a net in-migration of over 97,000 persons occurred in Washington. Additionally, net in-migration of 86,000 persons is predicted between April 1, 1990 and the same date in 1991. Strong growth also occurred in Fiscal Year 1990 in Washington's service sectors, particularly in health services and business services. The Microsoft Corporation is the largest firm in the business services sector, and has been expanding rapidly.

The strengths of Washington State's economy during Fiscal Year 1990 is also apparent in per capita personal income data. While U.S. per capita income increased from $17,127 in Fiscal Year 1989 to $18,041 in Fiscal Year 1990, the comparable increase for Washington was from $17,195 to $18,343. This reflects the growth in Washington of high wage industries such as construction and aerospace, and above average wage increases in other sectors as a result of rapid employment growth and a low level of unemployment.

ECONOMIC AND REVENUE OUTLOOK

The November 1990 Economic and Revenue forecast called for a national economic recession during Fiscal Year 1991, followed by slow growth in Fiscal Year 1992, and a slightly above average growth in Fiscal Year 1993. Recent data indicates that the national economy entered a recession sometime after the beginning of Fiscal Year 1991 on July 1, 1990. The U.S. economy has been weakening for more than a year, initially because of the Federal Reserve's efforts to fight inflation by maintaining high interest rates. The recent increases in oil prices now appear to have moved the economy from slow growth into a recession (negative growth) as additional energy costs caused consumers to reduce their spending, and businesses to rethink their investment and expansion plans.

The November 1990 state forecast is based on the November 1990 U.S. forecast of Data Resources, Inc. (DRI). This forecast assumes that the confrontation in the Middle East will continue well into 1991, with foreign oil prices averaging about $35 per barrel in the fourth quarter of 1990, and about $29 for all of 1991. DRI's forecast calls for a relatively brief, mild recession beginning in the fourth quarter of 1990 and continuing until the second quarter of 1991. The U.S. unemployment rate is predicted to increase from 5.6 percent in the third quarter of 1990 to 7.0 percent in the third quarter of 1991. By comparison, the unemployment rate approached eleven percent during the last recession in 1982. Consumption, investment, and government spending are all predicted to decline through mid-1991. Exports are expected to be the economy's one bright spot during this recession.

The forecast also calls for a substantial slowdown in state economic growth. Growth of non-agricultural employment, which was 5.3 percent in Fiscal Year 1990, is expected to be 1.7 percent, 1.3 percent, and 3.2 percent in Fiscal Years 1991, 1992, and 1993, respectively. Along with higher oil prices and the national recession, the expected decline of the lumber and wood products industry is the major negative factor for the Washington economy. Declining demand for new housing and further reductions in the availability of timber supply due to environmental concerns are expected to result in a loss of about 4,000 jobs over the next three years.

Although the forecast calls for a slowdown in state economic growth, it should be noted that Washington is still expected to outperform the national economy which it has for the past five years. The forecast calls for exports to be the strongest sector of the national economy in the near term, and this is favorable for Washington due to the strong export orientation of the state economy. The Boeing Company, Washington's largest and most important exporter, now has a record backlog of commercial aircraft orders, and has recently launched a new aircraft, the 777. As a result, Boeing, unlike most U.S. manufacturers, is planning increases in production. Other positive factors for the state economy are the expectation of above average population growth due to continued in-migration, and the strength of Washington's service sector.

The predicted slowdown of the Washington economy is reflected in the forecast of state revenues. For the 1989-91 Biennium, which ends June 30, 1991, General Fund-State revenues are projected to be $13.045 billion. This is a 21.0 percent increase over the 1987-89 Biennium. Most of this increase in revenues is due to the very strong economic growth that occurred in Fiscal Year 1990, the first year of the biennium. For the 1991-93 Biennium, which ends June 30, 1993, General Fund-State revenues are projected to be $14.344 billion. This is a 10.0 percent increase in revenues, which, as a result of slower economic growth, is less than half the increase expected for the 1989-91 Biennium.

As a result of a high degree of uncertainty in the national and international economic outlook, the state economic and revenue forecast is also very uncertain. If war breaks out in the Middle East and there is significant destruction of oil facilities, or if a severe national recession occurs for some other reason, the state forecast will probably be too optimistic. On the other hand, since it is assumed that growth will be well below average for most of the forecast period, if even average growth occurs, the forecast would have to be revised upward.

MAJOR INITIATIVES

FOR THE YEAR

In the last year the state has continued its efforts in a number of areas which serve to enhance the quality of life and promote financial stability for the state.

Work Force Training - Legislation requested by the Governor created an Advisory Council on Investment in Human Capital. The Council made recommendations on changes necessary to improve state policies for work force eduction and training. Those recommendations include improvements in nine major areas: coordinating structure, accountability, governance of adult work force education, apprenticeship, adult literacy and basic skills, secondary work force education, access, cultural diversity, and funding.

Health - Dramatic improvements in access to health care for low income pregnant women and children were made this year. The First Steps program, providing health care coverage and other services for low income pregnant women and their children, was begun. A Second Steps program that will improve access for all poor children in the State of Washington was also created. Several steps to address the rural health care crisis were initiated, and in response to the worsening crisis in health care costs and access to care, a study of health care purchasing was completed by the state, and Governor Gardner appointed the Health Care Commission to suggest specific reforms to control costs and improve access.

Transportation - A package of bills adopted during the 1990 legislative session constitute some of the most significant and comprehensive changes in state and local transportation financing and policy in the state's history. In addition to providing additional revenues to the state Department of Transportation, counties, and cities, legislation addressed the high capacity needs related to freight rail programs, accelerated development of high occupancy vehicle lanes, development of high capacity systems, and intercity rail systems. Local taxing options were created to meet transportation needs, including high capacity transportation systems and demand management strategies.

Growth - The planning framework cornerstone for growth management that was created this year is local comprehensive planning. It is becoming the critical tool for local communities to decide their futures. The state began developing common rules for transportation and land use planning, and the Governor's Growth Strategies Commission proposed recommendations to ensure that growth management takes place effectively.

Environment - Environment 2010, created by Governor's Executive Order 90-06, completed its analysis of the chief threats to the state's environment and developed an action agenda begin to dealing with some of these problems. The Washington Wildlife and Recreation Coalition, working in conjunction with the Governor, was successful in obtaining a $53 million down payment to begin acquiring environmentally sensitive lands before they are lost to development.

Water is a finite resource vital to industrial and agricultural, fish and wildlife, recreation, power, and domestic uses. Despite the illusion of abundance, the state has periodically faced droughts. Various interest groups, including agriculture, business, fisheries, Indian tribes, environmentalists, and state and local government, worked to develop a cooperative process for planning and managing the state's water resource. Key components of the plan include two pilot regional plans, data management, conservation, public education and cooperative dialogue between diverse factions.

FOR THE FUTURE

Our goal over the next few years remains to take significant steps to maintain and improve the quality of life for citizens of the State of Washington.

Environment - The Environment 2010 process identified air quality as the chief concern and problem facing the State. A five-part approach to improving air quality will be proposed, including expansion of the state's motor vehicle inspection program, transportation demand management, reduction of industrial pollutant emissions, upgraded regulations for wood stoves, and control of outdoor burning. The state will continue to seek a long-term funding commitment to acquire environmentally sensitive areas. The Governor will propose legislation to make oil spill prevention the primary goal of state regulations related to water transportation of oil and other hazardous substances.

Energy - Energy consumption in Washington is increasing at an alarming rate. A comprehensive state energy strategy will be initiated to analyze the difficult energy decisions that affect the environment, transportation, and growth management. This strategy will result in energy policy recommendations for the 1993 legislative session.

Management - Through a process entitled Capital Forum, leaders in government and industry met to consider planning, construction standards, and the current condition of public facilities. As a result, recommendations will be offered to improve capital management, including two key financing elements proposing an increase in the state's statutory debt limit from 7% to 8%, and increasing the use of longer-term bonds (20-year). The combined result would free-up more than $1 billion for capital projects over 10 years.

In a continuing effort to improve efficiency and effectiveness in state government, legislation to bolster the state's ability to compete for quality employees and increase worker productivity will be offered, as will a request to extend the life of the state's Efficiency Commission for four more years.

Human Service - Several state agencies are developing improved strategies for working with at-risk families. These strategies include an agreement among agencies to pursue a coordinated family services delivery initiative which will fundamentally alter the delivery of services to families – focused, coordinated, and locally planned approaches.

FINANCIAL INFORMATION

The state is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the state are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. Internal accounting controls are designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived, and (2) the valuation of costs and benefits requires estimates and judgments by management.

The state will implement a revised internal control policy during Fiscal Year 1991. This is a proactive policy where we will assess the adequacy of our systems of internal control on an on-going basis, improving them where weaknesses are found. This will help assure that the state maintains public accountability for years to come.

BUDGETING CONTROLS

Budgetary control is maintained through legislative appropriation and the Executive branch allotment process. The Governor is required to submit a biennial budget to the state Legislature. The budget is legally required to be adopted through passage of appropriation bills by the Legislature with approval by the Governor. The appropriated funds are controlled by the Executive branch through an allotment process. This process allocates the appropriation into monthly allotments by program, source of funds, and object of expenditure. Nonappropriated governmental funds (primarily local college and university funds) are also subject to allotment control by the Executive branch. The state also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Encumbered amounts lapse at the end of the biennium. However, capital encumbrances are generally reappropriated as part of the following biennial budget.

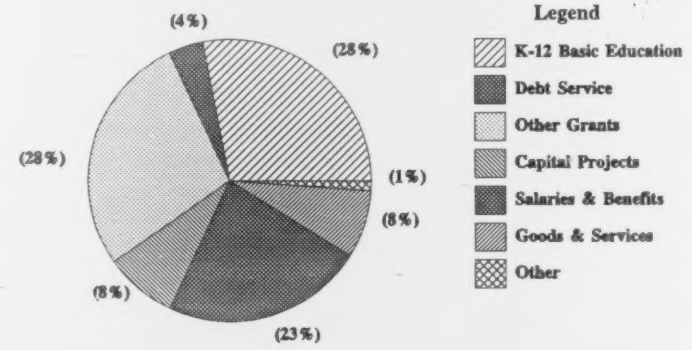
The state's budgetary policies and procedures, fund accounting structure, and basis of accounting are explained in detail in Note 1.D of the notes to the financial statements.

GENERAL GOVERNMENT FUNCTIONS

General governmental activities are accounted for in four governmental fund types: the general, special revenue, debt service, and capital projects funds. Revenue for general governmental functions totaled $11.2 billion for the Fiscal Year ended June 30, 1990. This represents an increase of 13.1 percent over revenue for the Fiscal Year ended June 30, 1989.

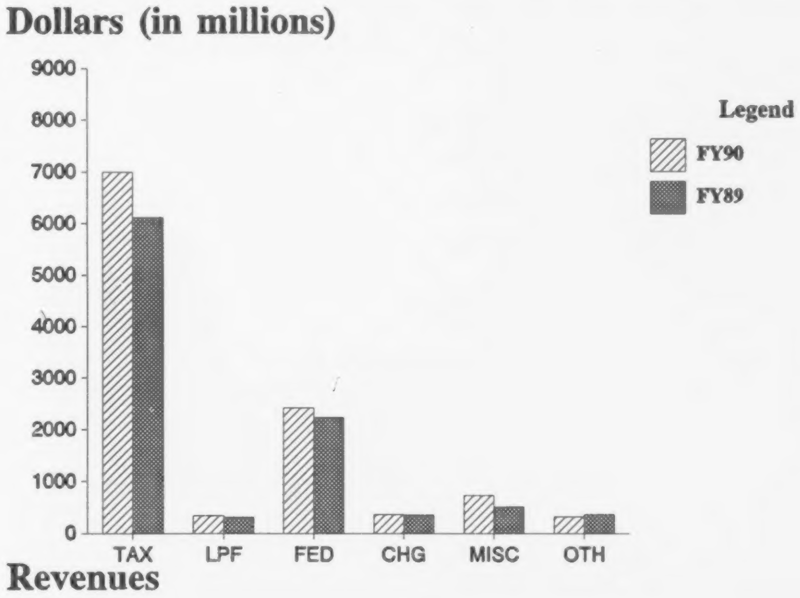
A graphical representation of general government expenditures by object is shown below.

All Governmental Funds



Taxes, the largest source of general governmental revenue, produced 64.5 percent of revenues. This percent is a slight increase from Fiscal Year 1989, representing an actual increase in tax revenues of $884 million. The general strength in the 1990 economy, specifically in population and income increases during 1990 aided sales tax collections by an additional $399 million or 14.9 percent. A healthy manufacturing and service industry for 1990 also produced an additional $133 million or 13.3 percent increase in the Business and Occupation taxes. Additionally, housing sales and generally housing price increases brought in $140 million or 25.6 percent more of other excise taxes.

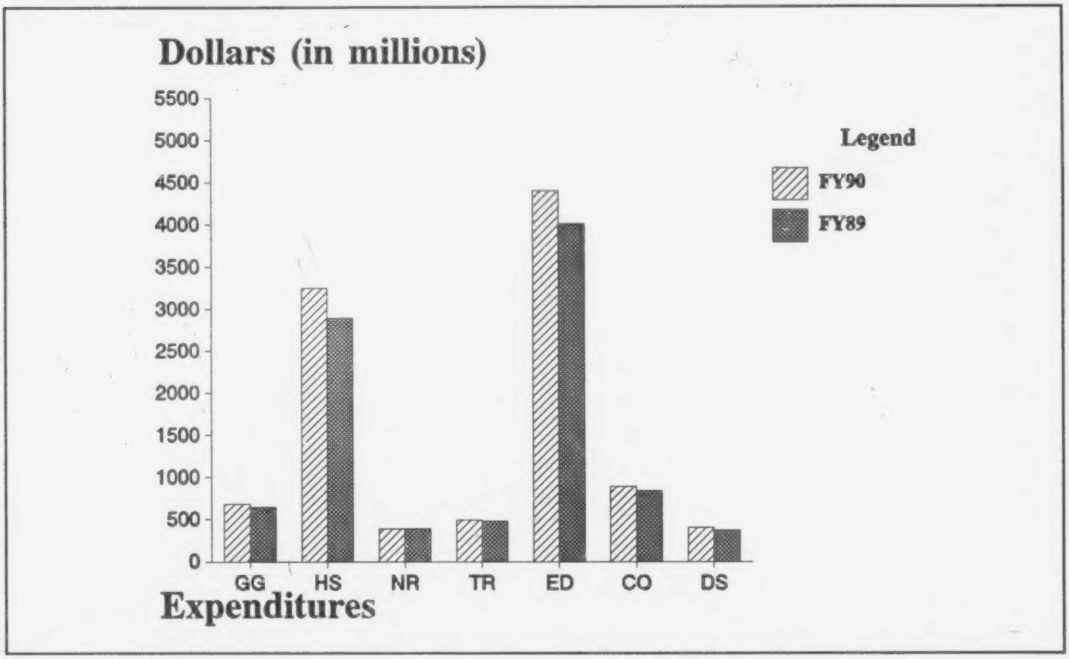
A graphical representation of general government revenues from various sources for Fiscal Years 1990 and 1989 is shown below followed by a table depicting the changes between years (expressed in millions).



Revenue Source		1990 Amount	1990 % of Total	1989 Amount	1989 % of Total	Increase (Decrease) from 1989
Taxes	(TAX)	$ 6,999	64.5	$6,115	64.3	$ 884
Licenses, Permits and Fees	(LPF)	345	3.2	308	3.2	37
Federal Grants-in-Aid	(FED)	2,414	22.3	2,226	23.4	188
Charges for Services	(CHG)	360	3.3	354	3.7	6
Miscellaneous Revenues	(MISC)	727	6.7	512	5.4	215
Total Revenues		10,845	100.0	9,515	100.0	1,330
Net Other Financing Sources (Uses)	(OTH)	328		367		(41)
Total Revenue and Other Sources (Uses)		$11,173		$9,882		$1,291

In the miscellaneous revenue category, increases on state investment earnings plus increased property and timber management fees generated 73.1 percent of the $215 million increase.

A graphical representation of general governmental expenditures by function for Fiscal Years 1990 and 1989 is shown below followed by a table depicting the changes between years (expressed in millions).



Expenditures		1990 Amount	1990 % of Total	1989 Amount	1989 % of Total	Increase (Decrease) from 1989
Current:						
General Government . . .	(GG)	$ 682	6.5	$ 642	6.7	$ 40
Human Services	(HS)	3,255	30.9	2,894	30.1	361
Natural Resources	(NR)	391	3.7	388	4.0	3
Transportation	(TR)	491	4.7	476	4.9	15
Education	(ED)	4,398	41.9	4,010	41.7	388
Capital Outlays	(CO)	887	8.4	839	8.7	48
Debt Service	(DS)	402	3.9	371	3.9	31
Total Expenditures		$10,506	100.0	$9,620	100.0	$ 886

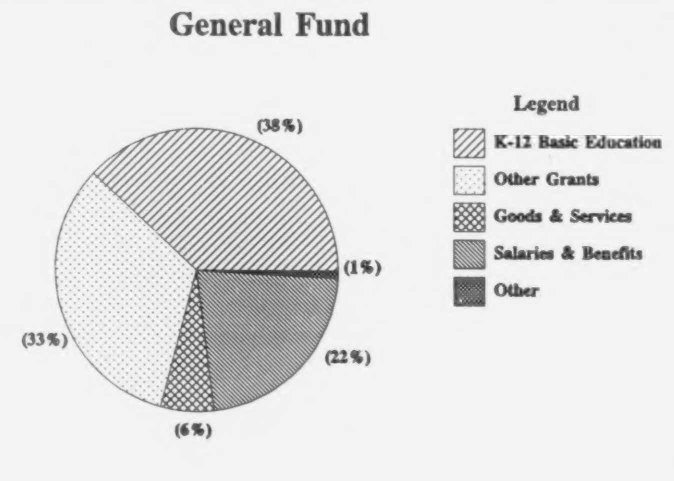
Conversely, the strength in the 1990 economy increased demands for Educational and Human Services in the form of K-12, higher education, job training, and general low income assistance. Specifically, human services expenditures increased $361 million with the increase in case loads and medical expenses at the Department of Social and Health Services. Also, education expenditures increased by $388 million with the higher enrollments in local school districts and the state's universities and colleges. All expenditures for governmental activities totaled $10.5 billion for Fiscal Year ended June 30, 1990, or a 9.2 percent increase from 1989.

GENERAL FUND BALANCE

The undesignated, unreserved portion of the General Fund balance increased by $96 million to $552 million in 1990. Of this increase, $48 million is due to a change in accounting policy regarding the recognition of gross receipts taxes amounting to $380 million less a corresponding reserve for working capital of $332 million. The remaining increase is due to the strong economic performance of industries in the state as discussed earlier. Total budgeted expenditures of the General Fund include 49.4 percent for common schools and higher education and 39.8 percent for human services.

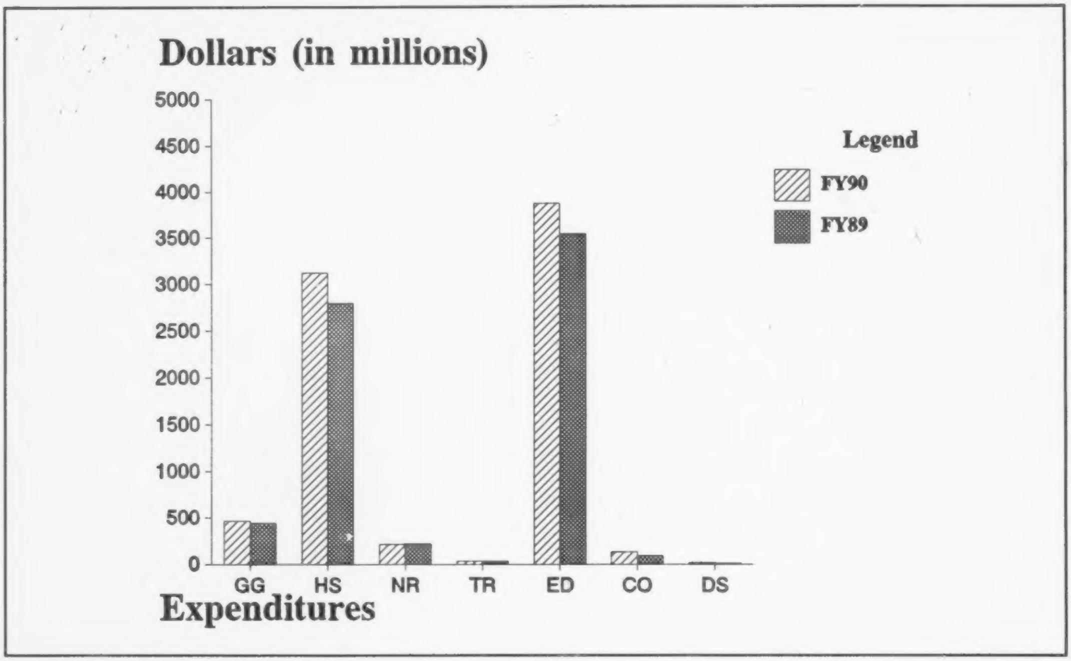
In addition to the increase in undesignated General Fund balance during Fiscal Year 1990, the Legislature and Governor Gardner approved a $200 million transfer from the General Fund to the Budget Stabilization Account. This account was created during the 1981 legislative session. State revenues are deposited into the Budget Stabilization Account during favorable periods of economic activity, thus providing a resource for the stable financing of essential state services during periods of revenue shortfalls. As of June 30, 1990, the Budget Stabilization Account balance was $260 million. Money in this account may be appropriated for specific purposes by a favorable vote of 60 percent of the members elected to each house of the Legislature.

A graphical representation of General Fund expenditures by object is shown below.



General Fund

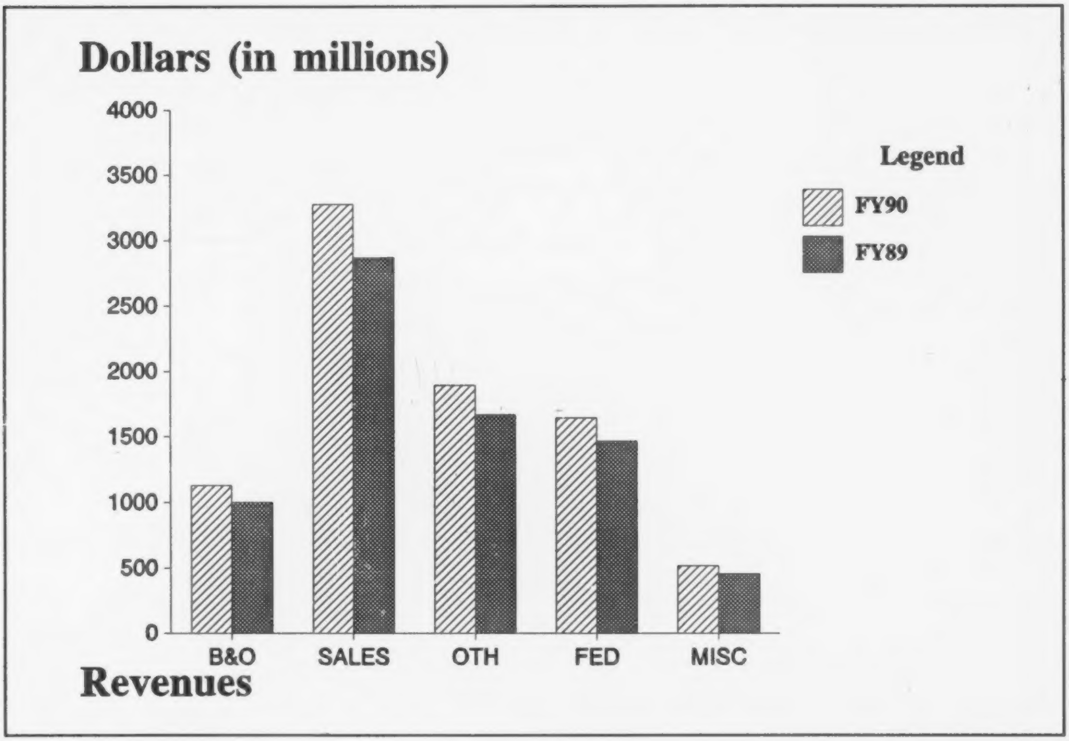
A graphical representation of General Fund expenditures by function for Fiscal Years 1990 and 1989 is shown below followed by a table depicting the changes between years (expressed in millions).



Expenditures		1990 Amount	1990 % of Total	1989 Amount	1989 % of Total	Increase (Decrease) from 1989
Current:						
General Government ...	(GG)	$ 466	5.9	$ 441	6.2	$ 25
Human Services	(HS)	3,126	39.8	2,798	39.2	328
Natural Resources	(NR)	214	2.7	221	3.1	(7)
Transportation	(TR)	31	.4	35	.5	(4)
Education	(ED)	3,877	49.4	3,543	49.6	334
Capital Outlays	(CO)	130	1.6	91	1.3	39
Debt Service	(DS)	13	.2	9	.1	4
Total Expenditures		$7,857	100.0	$7,138	100.0	$719

Expenditures for General Fund activities totaled $7.9 billion for Fiscal Year ended June 30, 1990, representing a 10 percent increase from 1989. This expenditure increase parallels the increases in education and human services as discussed earlier as a part of the overall state

A graphical representation of General Fund revenues by source for Fiscal Years 1990 and 1989 is shown below followed by a table depicting the changes between years (expressed in millions).



	1990		1989		Increase
		% of		% of	(Decrease)
Revenue Source	Amount	Total	Amount	Total	from 1989
Business & Occupation Taxes . (B&O)	$ 1,143	13.4	$1,000	13.4	$ 135
Sales Taxes .... (SALES)	3,298	38.9	2,871	38.5	427
Other Taxes .... (OTH)	1,881	22.3	1,665	22.4	224
Federal Grants-in-Aid .... (FED)	1,643	19.4	1,467	19.7	176
Miscellaneous Revenues ..... (MISC)	517	6.0	455	6.0	62
Total Revenues	$ 8,482	100.0	$7,458	100.0	$1,024

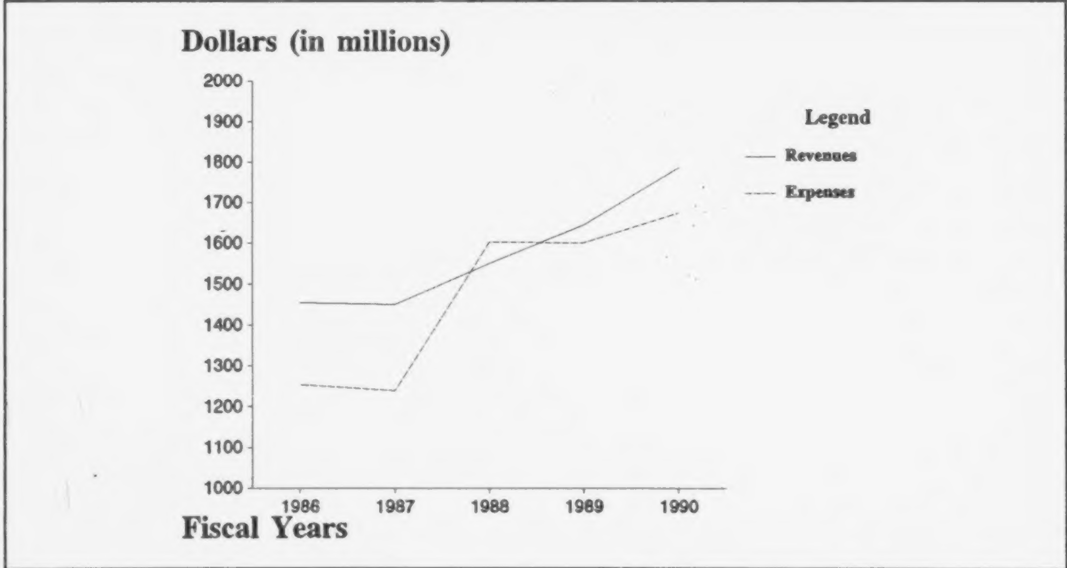
government results. Additionally, revenue increases in the General Fund parallel the increases in taxes along with the general government. Specifically, sales taxes, the largest source of general fund revenue, produced 38.9 percent of total revenues. Although this percent is a slight increase from Fiscal Year 1989, actual sales tax revenues increased by $427 million.

ENTERPRISE OPERATIONS

The state's enterprise operations are comprised of seven separate and distinct activities ranging from operation of the Convention and Trade Center to operation of the State Lottery to management of the State Ferry System. A brief description of each enterprise operation is presented in Note 5 of the notes to the financial statements.

Combined operating and non-operating revenues for the state's enterprise funds increased from $1,645 million in Fiscal Year 1989 to $1,787 million in Fiscal Year 1990. This $142 million increase is primarily due to a rate increase in the workers' compensation program and inflationary increases for the state ferry and tolls and fees at the colleges and universities. These increases were partially offset by a slight decrease in Lottery sales. Combined operating and non-operating expenses increased from $1,602 million to $1,675 million during the same period. This $73 million increase is primarily due to increases in workers' compensation benefit payments and the cost of student services at colleges and universities.

A graphical representation of enterprise fund combined revenues and expenses is shown below.



Outstanding enterprise fund bonds at June 30, 1990 totaled $314.1 million. These bonds were issued primarily to provide educational and convention facilities.

RETIREMENT SYSTEMS

Valuations are performed for most of the state's pension systems on a calendar year basis, however, Teachers Retirement System (TRS) and Washington State Patrol (WSP) are on a Fiscal Year basis. At the close of the 1989 valuation year, total net assets of the state's pension trust funds reached $12.9 billion. The latest actuarial present value of accumulated benefits exceeded the value of net actuarial value of assets available for benefits by $3.9 billion. The funding ratio for all funds combined was 77 percent which represents a six percent increase over the prior year. These calculations reflect actual figures available at publication date versus projection figures used in the valuations for TRS and WSP.

The state's retirement systems have shown a dramatic improvement in funding ratios in recent years as demonstrated in the "Analysis of Funding Progress" tables presented in the Required Supplementary Information immediately following the notes to the financial statements.

DEBT ADMINISTRATION

In January of 1990, the state received an upgrade to its bond rating from Moody's Investors Service from "A1" to "Aa." The bond rating from Standard and Poor's Corporation remained "AA." The ratings are a reflection of the state's sound financial management and a comparatively favorable outlook for the economy in the Northwest.

During Fiscal Year 1990, the State Treasurer implemented a lease/purchase program. The program allows state agencies to finance the acquisition of fixed assets at municipal bond interest rates, effecting significant savings to the state. As of June 30, 1990, 21 agencies had negotiated lease/purchase contracts for equipment valued at $9.8 million. The program is currently being funded with a negotiated line of credit. The sale of Certificates of Participation is anticipated in the future as the program expands.

Outstanding general long-term bonded debt as of June 30, 1990 totaled $3.36 billion, an increase of 1.3 percent over June 30, 1989. Bonds were issued primarily to provide for capital projects.

The following table presents a summary of general obligation bonds issued during Fiscal Year 1990:

Date of Issue	Amounts (Millions)	True Interest Cost
August 1989		
Refunding R-90A	$ 112.1	6.98%
Refunding R-90B	23.1	6.82%
October 1989		
College Savings*	91.2	7.11%
January 1990		
General Obligation 1990A	120.0	6.82%

*College Savings (zero coupon) Bonds issued in the accreted value at maturity amount of $130.0 million with proceeds received by the state of $50.2 million.

The state issues refunding bonds when interest rates decline to a level where sufficient savings can be realized. The overall savings ratio for the Fiscal Year 1990 refunding was 3.65 percent (3.59 percent for the Series R-90A bonds and 3.95 percent for the Series R-90B bonds). Nominal savings totaled $8.9 million and present value savings totaled $4.9 million.

General obligation debt is subject to statutory limitations as prescribed by the Washington State Constitution and the Revised Code of Washington. For the Fiscal Year ended June 30, 1990, the maximum debt authorization subject to limitation is $2,925.2 million.

The ratio of general long-term bonded debt to assessed valuation and the amount of bonded debt per capita are useful indicators of the state's debt position. These ratios as of June 30, 1990, are as follows:

	Amount (Millions)	Ratio of Debt to Assessed Value	Debt per Capita
General Long-Term Bonded Debt	$ 3,363	1.88%	$ 702

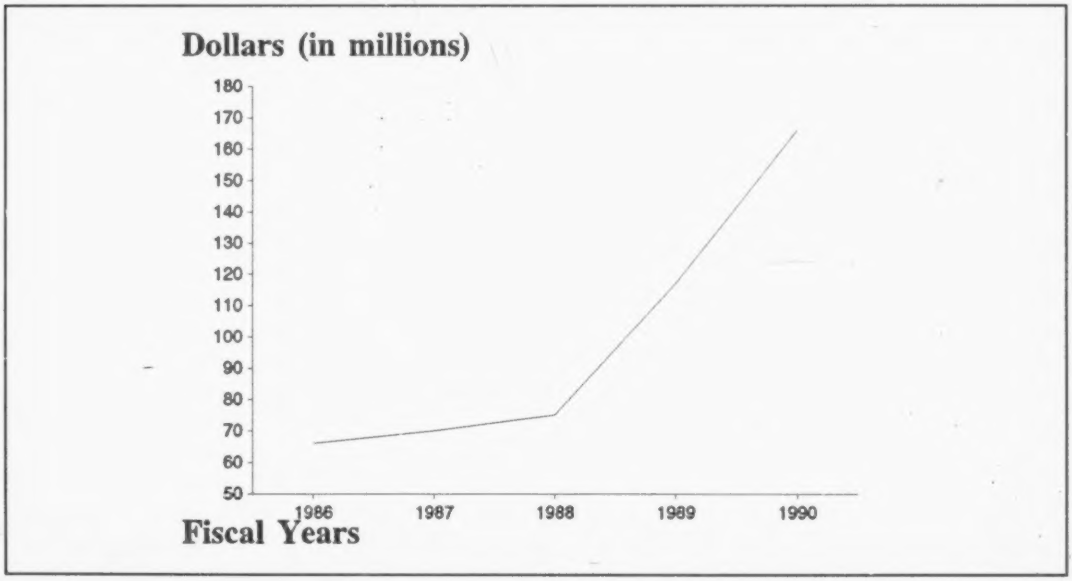
CASH MANAGEMENT

Statutes provide that certain excess cash balances in the state treasury may be invested by the Office of State Treasurer (OST) through the use of the Cash Management Account. Specifically excluded from the OST Cash Management Account are pension funds, the Workers' Compensation Fund, and certain dedicated permanent funds.

OST investment transactions during Fiscal Year 1990 were limited to U.S. Treasury and Agency securities, repurchase agreements, reverse repurchase agreements, certificates of deposit with qualified public depositories, and bankers' acceptances.

Total earnings from investment of the Cash Management Account balances for Fiscal Year 1990 exceeded $166 million, representing a 41.9 percent increase from Fiscal Year 1989. This increase resulted from a growth in the size of the investment portfolios. Investment earnings are distributed on an 80/20 percent basis; i.e., the participating funds receive 80 percent and the General Fund receives 20 percent based on the fund's average daily balances.

A graphical representation of earnings on investments is shown below.



RISK MANAGEMENT

The state currently has a risk management program based on the concept of self-insurance. This program makes payments on claims arising from tortious conduct that result in judgements and settlements against the state. During Fiscal Year 1990, the risk management program closed approximately 3,200 claims with a total payout of $11.5 million.

Washington State passed a law in 1989 establishing a new comprehensive risk management program to restructure Washington's risk management and insurance program, and to help the state better manage the rising cost of liability claims. Effective July 1, 1989, the Legislature created and funded a new Liability Account to pay future tort claims which will be supported from premiums paid by state agencies. Premiums will be based on actuarially-determined projections and include allowances for payments of both outstanding and current liabilities.

The State of Washington serves as insurance benefits coordinator for state employees and employees of certain other political subdivisions. The state offers numerous benefit package choices with outside insurance carriers in addition to its own uniform medical and dental plans. The uniform plans are risk retained programs. The state accounts for these activities in the State Employees' Insurance Fund. An accrued liability for claims that are incurred but not reported of $23.1 million has been recorded in that fund.

The state also manages a Workers' Compensation Insurance Program that provides coverage for both private and public employers. Premiums are collected in a self-sustaining Workers' Compensation Fund and a current payment basis Supplemental Cost of Living Benefits account to cover current and future claims. Claim liabilities arising from this program are actuarially determined and recorded in the Workers' Compensation Fund and in the General Long-Term Obligations Account Group. Notes 1.J and 3.I of the notes to the financial statements disclose the specific Workers' Compensation programs and the state's current potential long-term liability of $3.2 billion for the Supplemental Cost of Living Benefits Program.

OTHER INFORMATION

INDEPENDENT AUDIT

State statutes require an annual audit by the Office of State Auditor (SAO). The State Auditor is an independently elected public official. The state is also required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1984 and U.S. Office of Management and Budget Circular A-128, Audits of State and Local Governments.

SAO conducts the audit of all state agencies. In addition to meeting the requirements set forth in state statutes, the audit was also designed to meet the requirements of the federal single audit. The auditor's report on the general purpose financial statements is included in the financial section of this report. The auditor's report related to the single audit, including the schedule of federal financial assistance, findings and recommendations, and report on the internal control structure and compliance with applicable laws and regulations, will be published in a separate report. Copies may be obtained from the Office of State Auditor, Legislative Building, Mail Stop: AS-21, Olympia, Washington 98504.

AWARDS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Washington State for its Comprehensive Annual Financial Report for the Fiscal Year ended June 30, 1989. In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement Program requirements, and we are submitting it to the GFOA.

ACKNOWLEDGEMENT

I wish to express my sincere appreciation to the many individuals whose dedicated efforts have made this report possible. The preparation of this report could not have been accomplished without the professionalism and dedication demonstrated by the financial and management personnel of each state agency and institution of higher education and the dedicated staff within the Office of Financial Management.

This Comprehensive Annual Financial Report reflects the commitment by the present administration to the Legislature, citizens of the Washington State, and to the financial community to maintain our financial statements in conformance with the highest standards of financial accountability.

Sincerely,

Len McComb

Len McComb
Director

Marvin Oliver

The People of the Salmon and Cedar

Hills and mountains carpeted with evergreen forests, and valleys filled by an intricate network of freshwater rivers and lakes, prairies, brackish marshes, and saltwater bays characterize the landscape of western Washington. These distinctive local environments produce luxuriant combinations of both freshwater and saltwater species of fish, plants, and animals.

Over thousands of years, Native people adapted their activities to the cycles of life in this region, such as the seasonal migrations of salmon and trout, waterfowl, and even gray whales. Huge wooden houses were built at permanent sites occupied during the winter. Cattail mat shelters at various locations were occupied temporarily during other times when fish, roots, or berries were locally abundant.

The last hundred years have brought many changes - some of them difficult to bear, others rich and fruitful. Today, with modern fishing fleets, fish-processing plants, logging operations, and plans for expansion of aquaculture and the tourist industry, western Washington tribes are increasing their economic power. Equally important is the successful ongoing commitment of Native people to maintaining their distinct cultural identities. This they are actively accomplishing through renewed interest and research in their traditional languages, art, and customs.

Indian Tribes of Western Washington

Chehalis
Chinook
Cowlitz
Duwamish
Hoh
Jamestown Klallam
Lower Elwha Klallam
Lummi
Makah
Mitchell Bay
Muckleshoot
Nisqually
Nooksack
Marietta Band of Nooksack Indians
Port Gamble Klallam
Puyallup
Quileute
Quinault
Samish
Sauk-Suiattle
Shoalwater Bay
Skokomish
Snohomish
Snoqualmie
Squaxin Island
Steilacoom
Stillaguamish
Suquamish
Swinomish
Tulalip
Upper Skagit

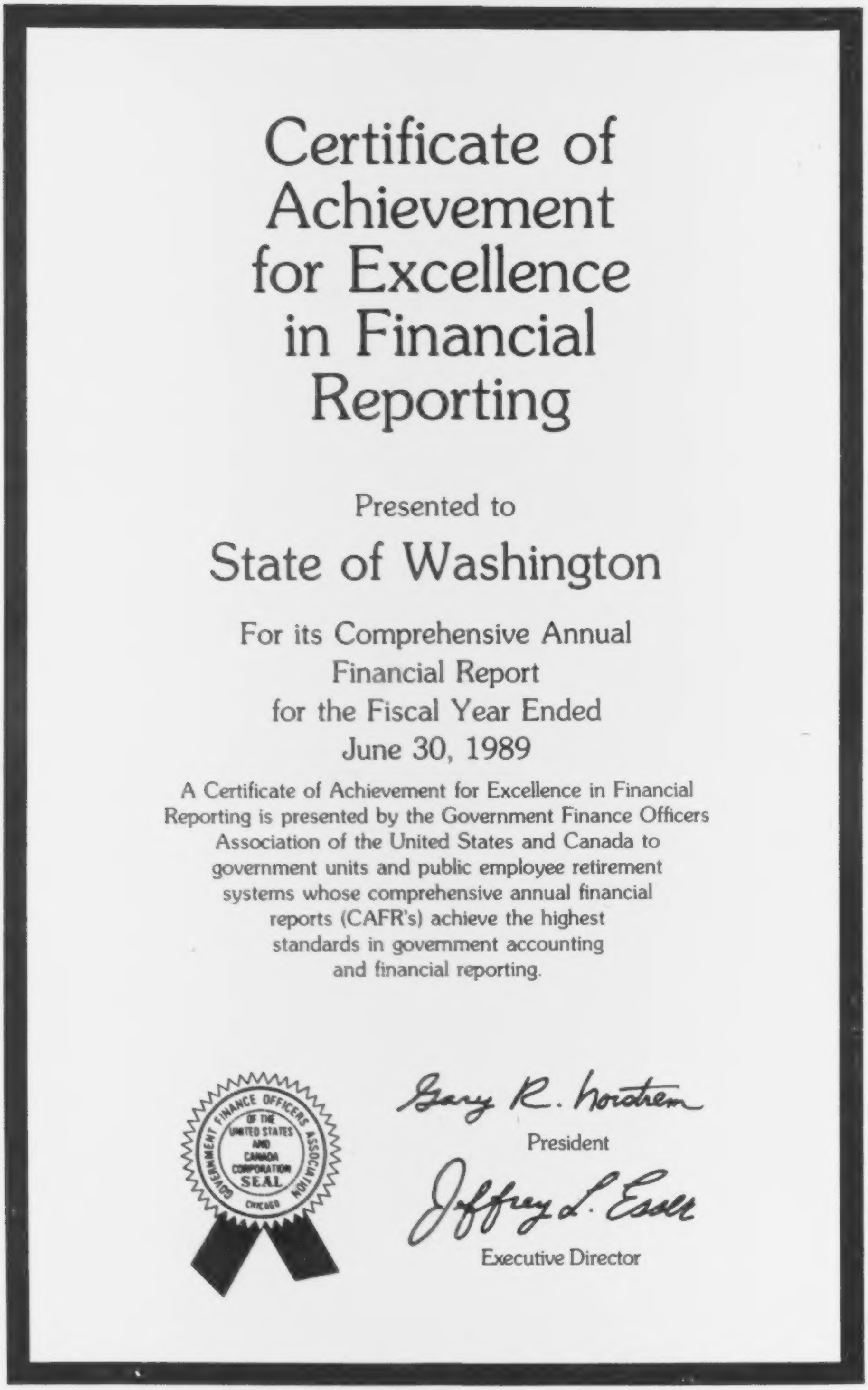
Jeff Hottowe

Potlatching

In Chinook jargon, a trade language spoken in the late 18th and 19th centuries, "potlatch" means "to give." People of the Northwest Coast maintained a social structure based on the control of material wealth and spiritual power. Potlatching is a way of sharing the wealth and maintaining the social and political position of the leaders. On special occasions such as a wedding, a memorial, the bestowing of a name, or the giving of thanks for the first salmon of the season, guests are invited from near and far. Feasts are given, songs and dances are performed, and formal witnesses are called to speak. The invited guests are given gifts as lasting reminders of what they have seen.

Potlatching was declared illegal by the United States and Canadian governments in the late 19th and early 20th centuries, but tribal people never discontinued their tradition despite the threat of imprisonment. During the period when potlatching was illegal, people referred to a potlatch as a "party" to avoid interference and prosecution. The ceremony remains important to many Native people in western Washington today.

> *Many generations ago when the white man came and disallowed potlatches, Indian people were forced to go underground. Potlatches were practiced in secret so the white man would not find out. In the Makah Tribe there was a big powerful man named John Hunter, who was the biggest reigning chief of the Nootka people. John Hunter sent three of his daughters here to avoid arrest and ensure that the traditions were carried on. I am the descendent of one of these daughters and it is from her that come the songs and dances that I do. There are fun songs, potlatch songs, songs before momentous occasions; but the most powerful one of all is the wolf mask dance. This dance has been given to me as my father's oldest son. The wolf is a powerful and cunning hunter. As I dance I am transformed to half man, half wolf.*
>
> *- Jeff Hottowe, Makah Tribe*



Certificate of Achievement for Excellence in Financial Reporting

Presented to

State of Washington

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 1989

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFR's) achieve the highest standards in government accounting and financial reporting.

Gary R. Norstrem
President

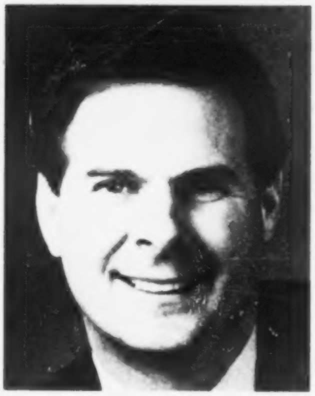
Jeffrey L. Esser
Executive Director

STATE OF WASHINGTON
Elected Executive Officials
June 30, 1990

Booth Gardner
Governor

Joel Pritchard
Lieutenant Governor

Ralph Munro
Secretary of State



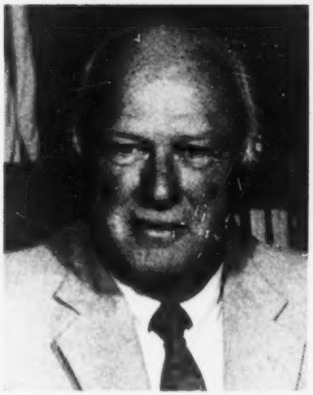
Dan Grimm
Treasurer

Robert V. Graham
Auditor

Ken Eikenberry
Attorney General

Judith Billings
Superintendent of
Public Instruction

Brian Boyle
Commissioner of
Public Lands



Richard G. "Dick" Marquardt
Insurance Commissioner

WASHINGTON STATE GOVERNMENT

STATE AGENCIES BASED ON GUBERNATORIAL APPOINTMENT AUTHORITY

LEGISLATIVE BRANCH

SENATE / HOUSE OF REPRESENTATIVES

- LEGISLATIVE BUDGET COMMITTEE
- LEGISLATIVE EVALUATION AND ACCOUNTABILITY PROGRAM
- LEGISLATIVE TRANSPORTATION COMMITTEE
- OFFICE OF THE STATE ACTUARY
- JOINT LEGISLATIVE SYSTEMS COMMITTEE
- REDISTRICTING COMMITTEE

EXECUTIVE BRANCH

JUDICIAL BRANCH

- COURT OF APPEALS
- COMMISSION ON JUDICIAL CONDUCT
- ORGANIZED CRIME ADVISORY BOARD
- SUPREME COURT
- COMMISSION ON SUPREME COURT REPORTS
- ADMINISTRATOR FOR THE COURTS
- STATE LAW LIBRARY

- COMMISSIONER OF PUBLIC LANDS
  - DEPARTMENT OF NATURAL RESOURCES
- INSURANCE COMMISSIONER
- LIEUTENANT GOVERNOR
- **GOVERNOR**
- TREASURER
- ATTORNEY GENERAL
- AUDITOR
- SECRETARY OF STATE
- SUPERINTENDANT OF PUBLIC INSTRUCTION
  - BOARD OF EDUCATION

EXECUTIVE APPOINTED BY THE GOVERNOR

NATURAL RESOURCES

- DEPARTMENT OF ECOLOGY
- ENERGY OFFICE
- ENERGY FACILITY SITE EVALUATION COUNCIL
- DEPARTMENT OF AGRICULTURE (INCLUDES COMMODITY COMMISSIONS)
- DEPARTMENT OF FISHERIES
- INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION
- DEPARTMENT OF TRADE AND ECONOMIC DEVELOPEMENT
- PUGET SOUND WATER QUALITY AUTHORITY
- DEPARTMENT OF WILDLIFE
- WASHINGTON POLLUTION LIABILITY INSURANCE PROGRAM

GENERAL GOVERNMENT

- OFFICE OF FINANCIAL MANAGEMENT
- DEPARTMENT OF REVENUE
- DEPARTMENT OF GENERAL ADMINISTRATION
- DEPARTMENT OF RETIREMENT SYSTEMS
- LIQUOR CONTROL BOARD
- MILITARY DEPARTMENT
- PUBLIC PRINTER
- OFFICE OF ADMINISTRATIVE HEARINGS
- LOTTERY COMMISSION
- OFFICE OF MINORITY AND WOMEN'S BUSINESS ENTERPRISES
- DEPARTMENT OF INFORMATION SERVICES
- WASHINGTON ECONOMIC DEVELOPMENT FINANCE AUTHORITY
- WASHINGTON STATE ECONOMIC DEVELOPMENT BOARD
- GOVERNOR'S COMMISSION ON AFRICAN AMERICAN AFFAIRS
- GOVERNOR'S OFFICE OF INDIAN AFFAIRS
- COMMISSION ON ASIAN AMERICAN AFFAIRS

TRANSPORTATION

- WASHINGTON STATE PATROL
- TRAFFIC SAFETY COMMISSION
- DEPARTMENT OF LICENSING (INCLUDES REGULATORY BOARDS)

HUMAN RESOURCES

- DEPARTMENT OF SOCIAL AND HEALTH SERVICES
- DEPARTMENT OF LABOR AND INDUSTRIES
- DEPARTMENT OF VETERANS AFFAIRS
- DEPARTMENT OF HEALTH
- DEPARTMENT OF EMPLOYMENT SECURITY
- DEPARTMENT OF COMMUNITY DEVELOPMENT
- DEPARTMENT OF CORRECTIONS
- WASHINGTON STATE HEALTH CARE AUTHORITY
- DEPARTMENT OF SERVICES FOR THE BLIND
- WASHINGTON BASIC HEALTH PLAN

EDUCATION

- SCHOOL FOR THE BLIND
- SCHOOL FOR THE DEAF
- STATE ARTS COMMISSION

EXECUTIVE APPOINTED BY A BOARD WHICH IS APPOINTED IN WHOLE OR IN PART BY THE GOVERNOR

- STATE PARKS AND RECREATION COMMISSION
- ENVIRONMENTAL HEARINGS OFFICE
  - POLLUTION CONTROL HEARINGS BOARD
  - SHORELINES HEARINGS BOARD
  - FOREST PRACTICES APPEALS BOARD
  - HYDRAULIC APPEALS BOARD
- STATE CONSERVATION COMMISSION
- COLUMBIA RIVER GORGE COMMISSION
- WINTER RECREATION COMMISSION
- STATE CONVENTION AND TRADE CENTER

- PERSONNEL BOARD
  - DEPARTMENT OF PERSONNEL
- PERSONNEL APPEALS BOARD
- PUBLIC EMPLOYMENT RELATIONS COMMISSION
- BOARD OF TAX APPEALS
- PUBLIC DISCLOSURE COMMISSION
- UTILITIES AND TRANSPORTATION COMMISSION
- BOARD FOR VOLUNTEER FIREFIGHTERS
- BOARD OF ACCOUNTANCY
- GAMBLING COMMISSION
- HORSE RACING COMMISSION
- PROFESSIONAL ATHLETIC COMMISSION
- STATE INVESTMENT BOARD
- WASHINGTON HEATH CARE FACILITIES AUTHORITY
- HOUSING FINANCE COMMISSION
- MUNICIPAL RESEARCH COUNCIL
- STATUTE LAW COMMITTEE
- DEFFERRED COMPENSATION COMMITTEE

- TRANSPORTATION COMMISSION
- DEPARTMENT OF TRANSPORTATION
- BOARD OF PILOTAGE COMMISSIONERS
- MARINE EMPLOYEES' COMMISSION

- HUMAN RIGHTS COMMISSION
- BOARD OF INDUSTRIAL INSURANCE APPEALS
- COMMISSION ON HISPANIC AFFAIRS
- DEATH INVESTIGATORS COUNCIL
- CRIMINAL JUSTICE TRAINING COMMISSION
- SENTENCING GUIDELINES COMMISSION
- INDETERMINATE SENTENCE REVIEW BOARD

- HIGHER EDUCATION COORDINATING BOARD
- COMMUNITY COLLEGE BOARD OF TRUSTEES
- STATE BOARD FOR COMMUNITY COLLEGE EDUCATION
  - 24 REGIONAL COMMUNITY COLLEGES
- HIGHER EDUCATION PERSONNEL BOARD
- GOVERNING BOARDS OF FOUR-YEAR INSTITUTIONS OF HIGHER EDUCATION
  - UNIVERSITY OF WASHINGTON
  - WASHINGTON STATE UNIV.
  - EASTERN WASHINGTON UNIV.
  - CENTRAL WASHINGTON UNIV.
  - WESTERN WASHINGTON UNIV.
  - EVERGREEN STATE COLLEGE
- WASHINGTON INSTITUTE OF APPLIED TECHNOLOGY
- STATE LIBRARY COMMISSION
  - STATE LIBRARY
- HIGHER EDUCATION FACILITIES AUTHORITY

OFM 1990

BOARDS NOT APPOINTED BY THE GOVERNOR

- CITIZEN'S COMMISSION ON SALARIES FOR ELECTED OFFICIALS
- STATE CAPITOL COMMITTEE
- STATE FINANCE COMMITTEE

- TRANSPORTATION IMPROVEMENT BOARD
- COUNTY ROAD ADMINISTRATION BOARD

- WASHINGTON STATE HISTORICAL SOCIETY
- EASTERN WASHINGTON STATE HISTORICAL SOCIETY
- STATE CAPITAL HISTORICAL ASSOCIATION

University of Washington Library

Harvest of Rivers and Sea

Native people in this region have always depended on their knowledge of the habits of freshwater and saltwater creatures. This knowledge based on long experience resulted in sophisticated hunting and fishing technologies.

While it is true that marine resources are abundant in western Washington, harvesting these resources is demanding work. From midsummer through fall, people typically moved to fishing camps where they constructed fences or wires across rivers to capture migrating salmon. Double pointed harpoons, nets, and traps were also used. Early in their run, salmon in salt water were caught on trolling hooks of various kinds by men in sleek dugout canoes. Wooden floats carved in the shapes of birds and animals were attached to fishing lines and nets, and helped to identify the owners.

> *When they were gathering food the Indian people never stopped in one place. Didn't have no reservation then. They went from place to place, wherever they found food. They had seasons for these moves. Like right now there's the herring season. They're spawning someplace. Indians follow the herring. Steelhead run in December. Hooligan season in November. Humpie season in August and September. They know when the clams are good. They know all these seasons. They know as an Indian.*
>
> *- James Joseph, Lummu Tribe*

FINANCIAL SECTION

Office of State Auditor

ROBERT V. GRAHAM
STATE AUDITOR

JACK HEINRICHER
ASSISTANT STATE AUDITOR

LEGISLATIVE BUILDING AS-21
OLYMPIA, WASHINGTON 98504-0421
(206) 753-5277

December 13, 1990

INDEPENDENT AUDITOR'S REPORT

The Honorable Booth Gardner
Governor, State of Washington

Dear Governor Gardner:

We have audited the accompanying general purpose financial statements of the state of Washington as of June 30, 1990, and for the year then ended. These financial statements are the responsibility of the state's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the state of Washington as of June 30, 1990, and the results of its operations and cash flows of its proprietary and similar trust funds for the year then ended, in conformity with generally accepted accounting principles.

As discussed in Note 4 to the financial statements, the state of Washington made fund type reclassifications of certain funds and accounts, changed its method of accounting for gross receipts taxes, and changed its method of accounting for investments, in 1990.

As discussed in Note 8 to the financial statements, the state of Washington is a defendant in a legal proceeding. The ultimate outcome of this litigation cannot presently be determined. Accordingly, no provision for any liability that may result upon adjudication has been made in the accompanying financial statements.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The combining, individual fund, and account group financial statements and schedules listed in the table of contents, and the budgetary reports (MFS 1054 and MFS 1064) referenced in Note 1.D. are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the state of Washington. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated in all material respects in relation to the general purpose financial statements taken as a whole.

The statistical section of this report is not a required part of the general purpose financial statements, and we did not audit or apply limited procedures to such information and do not express any assurance on such information.

Very truly yours,

Robert V. Graham

ROBERT V. GRAHAM
STATE AUDITOR

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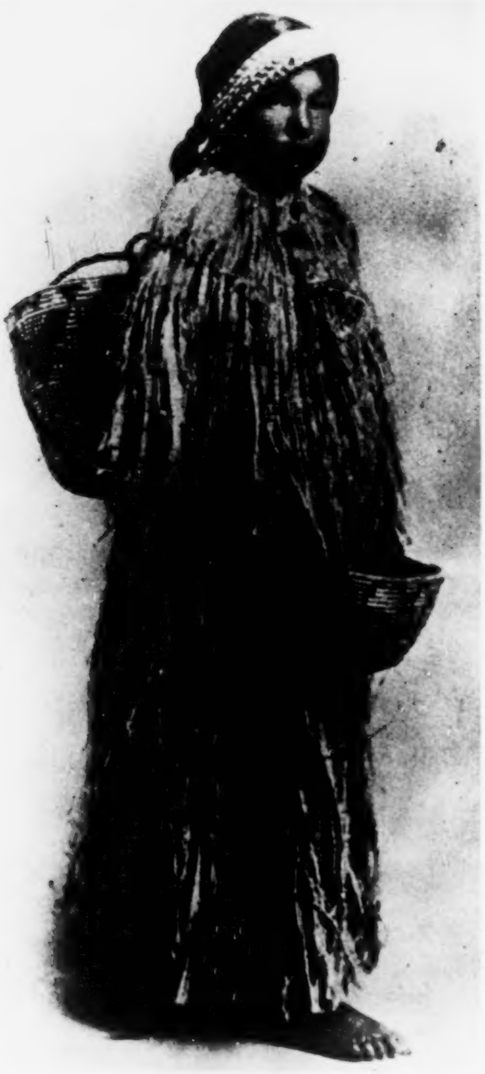


Suquamish Tribe

Cedar

The most essential gift given to the western Washington tribes is the Western Red Cedar. The entire tree is generous with its uses. Just the bark alone had numerous applications for everyday and ceremonial life.

> *"They had smokehouses, great big ones, made out of cedar. They made canoes out of cedar - everything out of cedar. Cedar tree. That's an important tree. The most important tree. The Indians used it for everything. They even used it for their clothes and they even used it for the babies diapers. The bark. They take that bark and they dry it and they smash it up so fine and then they take this kind of a cotton that comes out of the tules. You folks see the tules grow. Kinda cattail, I guess you call it. Well that's what they used. They mixed it up - grind it - with cedar, and they weaved it somehow and they made diapers for the babies that way. Soft. Then they had cedar cradles."*
>
> \- *Dora Williams Solomon, Lummi Tribe*

GENERAL PURPOSE FINANCIAL STATEMENTS

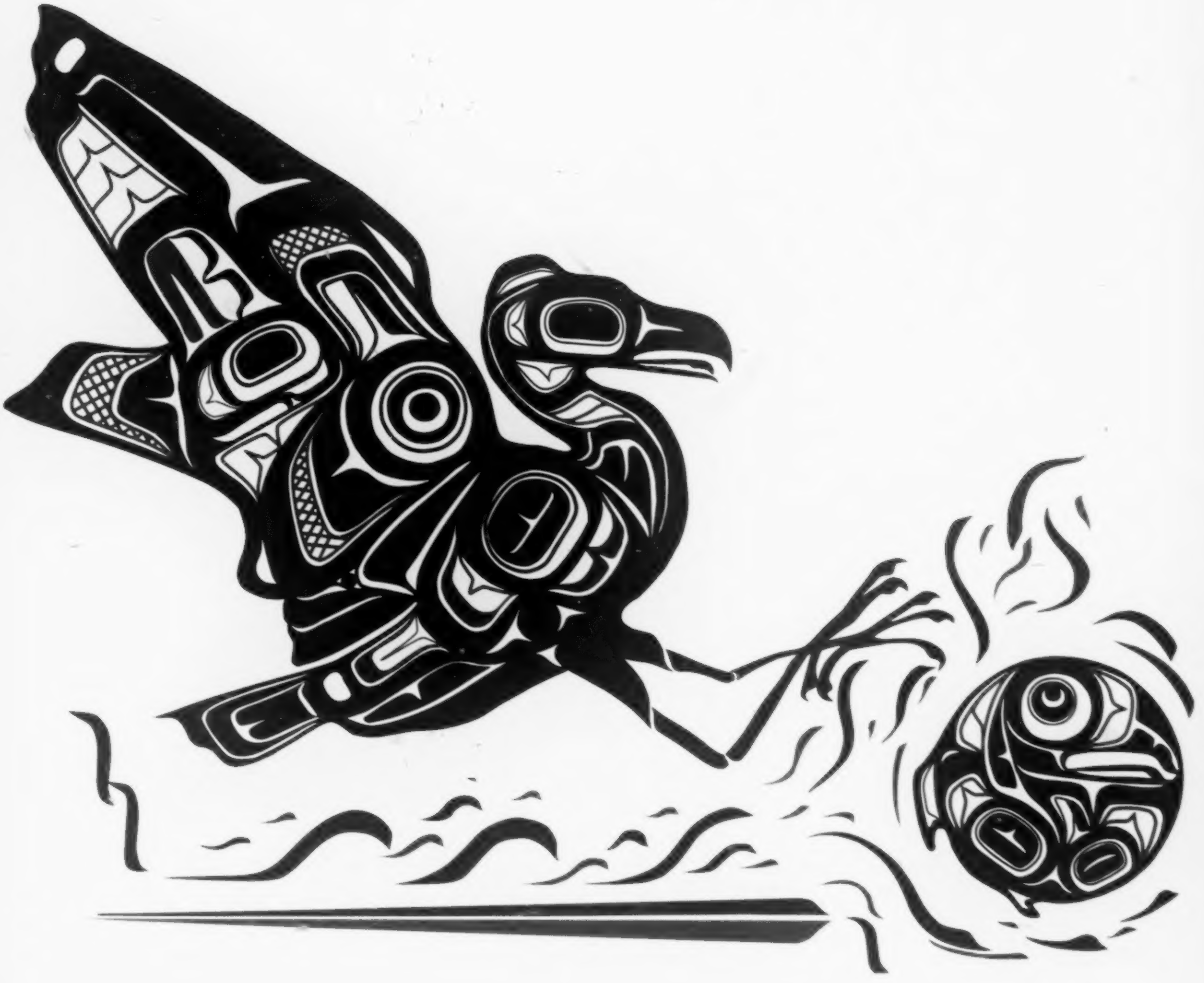
STATE OF WASHINGTON

Combined Balance Sheet - All Fund Types and Account Groups
June 30, 1990
(expressed in thousands)

	GOVERNMENTAL FUND TYPES			
	GENERAL	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS
ASSETS AND OTHER DEBITS				
ASSETS:				
Cash and pooled investments	$ 1,199,127	$ 915,810	$ 99,346	$ 33,473
Investments	855	5,164		108
Taxes receivable (net of allowance)	1,179,342	8,790		
Other receivables (net of allowance)	155,106	141,307	193	9,076
Due from other funds	140,993	110,402	10,807	7,861
Due from other governments	319,759	70,188		117
Inventories	12,540	19,650		
Prepaid expenses				
Other nonfixed assets				
Land				
Buildings				
Other improvements and miscellaneous				
Furnishings and equipment				
Accumulated depreciation				
Construction in progress				
OTHER DEBITS:				
Amount available in debt service funds				
Amount to be provided for retirement of general long-term obligations				
Total Assets and Other Debits	$ 3,007,722	$ 1,271,311	$ 110,346	$ 50,635
LIABILITIES, FUND EQUITY AND OTHER CREDITS				
LIABILITIES:				
Accounts payable	$ 247,323	$ 30,668	$	$ 6,094
Contracts and retainages payable	14,890	53,413	1,133	9,056
Accrued liabilities	123,651	46,888	81	560
Matured bonds payable				
Due to other funds	210,578	46,950	14	35,768
Due to other governments	26,005	26,638		83
Deferred revenues	759,682	146,363		8,695
Current workers' comp benefits payable				
Long-term workers' comp benefits payable				
Bonds payable				
Accrued retirement obligations				
Other long-term obligations				
Total Liabilities	1,382,129	350,920	1,228	60,256
FUND EQUITY AND OTHER CREDITS:				
Unrealized gain on investments				
Contributed capital				
Investment in general fixed assets				
Retained earnings:				
Unreserved				
Fund balances:				
Reserved for:				
Encumbrances	191,630	234,497		78,520
Inventories	12,540	19,650		
Restricted accounts	459,086			
Nonexpendable trust corpus				
Unemployment compensation				
Retirement systems				
Working capital	332,535			
Other specific purposes	77,679	12,938		133
Unreserved:				
Designated for debt service			109,118	
Designated for other specific purposes		67,402		183
Undesignated	552,123	585,904		(88,457)
Total Fund Equity and Other Credits	1,625,593	920,391	109,118	(9,621)
Total Liabilities, Fund Equity and Other Credits	$ 3,007,722	$ 1,271,311	$ 110,346	$ 50,635

The notes to the financial statements are an integral part of this statement.

PROPRIETARY FUND TYPES		FIDUCIARY FUND TYPES	ACCOUNT GROUPS		TOTALS (MEMORANDUM ONLY)	
ENTERPRISE	INTERNAL SERVICE	TRUST AND AGENCY	GENERAL FIXED ASSETS	GENERAL LONG-TERM OBLIGATIONS	JUNE 30, 1990	JUNE 30, 1989
$ 142,985	$ 105,261	$ 2,629,544	$	$	$ 5,125,546	$ 4,168,722
3,993,159	1,775	14,395,725	....	....	18,396,786	16,537,866
2,655	....	....	....	....	1,190,787	698,120
321,197	2,135	317,729	....	....	946,743	794,370
15,112	62,522	187,872	....	....	535,569	557,774
15,643	11,889	87,393	....	....	504,989	433,047
58,683	24,501	240	....	....	115,614	108,778
2,225	246	....	....	....	2,471	2,492
266	....	69,087	....	....	69,353	41,872
29,396	1,252	....	377,759	....	408,407	326,849
688,560	15,084	....	2,041,278	....	2,744,922	2,553,248
140,596	5,759	....	425,254	....	571,609	559,686
417,588	306,092	....	710,065	....	1,433,745	1,312,739
(324,923)	(177,025)	....	(1,138,262)	....	(1,640,210)	(1,492,970)
18,536	....	....	186,629	....	205,165	192,211
....	....	....	....	109,118	109,118	87,992
....	....	....	....	7,429,894	7,429,894	6,997,129
$ 5,521,678	$ 359,491	$ 17,687,590	$ 2,602,723	$ 7,539,012	$ 38,150,508	$ 33,879,925
$ 68,407	$ 19,632	$ 11,184	$	$	$ 383,308	$ 411,175
36,011	6,373	13,760	....	....	134,636	139,465
64,573	36,335	99,226	....	....	371,314	316,833
11,628	....	....	....	....	11,628	11,292
37,958	29,088	175,213	....	....	535,569	557,774
3,955	103	1,052,917	....	....	1,109,701	798,830
16,263	6,534	46,257	....	....	983,794	937,602
511,000	....	119,000	....	....	630,000	623,397
3,202,788	....	....	....	3,206,000	6,408,788	5,762,690
302,514	....	....	....	3,363,251	3,665,765	3,630,374
....	....	....	....	801,700	801,700	786,400
176,980	4,889	259,331	....	168,061	609,261	453,478
4,432,077	102,954	1,776,888	....	7,539,012	15,645,464	14,429,310
45,656	....	....	....	....	45,656	2,046,848
519,352	31,370	....	....	....	550,722	470,866
....	....	....	2,602,723	....	2,602,723	2,375,755
524,593	225,167	....	....	....	749,760	607,391
....	....	3,425	....	....	508,072	129,555
....	....	240	....	....	32,430	32,207
....	....	....	....	....	459,086	147,494
....	....	614,109	....	....	614,109	548,197
....	....	1,503,396	....	....	1,503,396	1,203,206
....	....	13,573,540	....	....	13,573,540	10,396,544
....	....	....	....	....	332,535	....
....	....	109,346	....	....	200,096	215,860
....	....	....	....	....	109,118	87,992
		4,727			72,312	83,573
....	....	101,919	....	....	1,151,489	1,105,128
1,089,601	256,537	15,910,702	2,602,723	....	22,505,044	19,450,616
$ 5,521,678	$ 359,491	$ 17,687,590	$ 2,602,723	$ 7,539,012	$ 38,150,508	$ 33,879,926



Cynthia Martinez

The Legend of Raven

Coastal Indians believed Raven to be one of the most important of all creatures. This design shows Raven placing salmon into the riverbed, during the creation of the earth.

Raven who was also known as the transformer, the trickster, and the cultural hero, was often attributed with the creation of the world. Northwest Coast legends credit Raven for placing the sun, moon and stars into the sky, fish and salmon into the rivers, and food and cedar onto the land.

Raven was full of magical powers and could change himself into any form and make any thing happen simply by willing it. Raven loved to tease, trick, and cheat; many legends tell how the tables were often turned on him.

STATE OF WASHINGTON

Combined Statement of Revenues, Expenditures, and Changes in Fund Balance
All Governmental Fund Types and Expendable Trust Funds
For the Fiscal Year Ended June 30, 1990
(expressed in thousands)

	GOVERNMENTAL FUND TYPES				FIDUCIARY FUND TYPE	TOTALS (MEMORANDUM ONLY)	
	GENERAL	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS	EXPENDABLE TRUST	YEAR ENDED JUNE 30, 1990	YEAR ENDED JUNE 30, 1989
REVENUES:							
Retail sales taxes	$3,295,296	$ 893	$.........	$.........	$.........	$ 3,296,189	$ 2,870,813
Business and occupation taxes	1,134,861	....	....	....	....	1,134,861	1,000,329
Property taxes	680,956	....	....	....	....	680,956	637,784
Excise taxes	635,197	56,916	....	....	....	692,113	550,775
Motor vehicle and fuel taxes	3,321	487,994	....	....	....	491,315	453,633
Other taxes	572,316	131,479	....	....	....	703,795	602,008
Licenses, permits, and fees	66,451	278,954	....	....	49	345,454	308,076
Federal grants-in-aid	1,642,869	771,431	164	....	134,192	2,548,656	2,347,525
Charges for services	201,835	142,728	....	15,290	10,365	370,218	363,410
Unemployment comp. contributions	....	....	....	....	562,682	562,682	653,197
Workers' compensation contributions	....	....	....	....	125,202	125,202	123,438
Miscellaneous revenue	249,269	449,525	13,985	13,778	197,019	923,576	665,688
Total Revenues	8,482,371	2,319,920	14,149	29,068	1,029,509	11,875,017	10,576,676
EXPENDITURES:							
Current:							
General government	466,446	211,723	....	4,091	49,470	731,730	695,859
Human services	3,126,482	109,923	....	19,027	519,911	3,775,343	3,384,896
Natural resources and recreation	213,950	168,844	....	8,331	340	391,465	388,191
Transportation	31,257	459,146	....	179	....	490,582	476,514
Education	3,876,872	503,655	....	17,100	117,001	4,514,628	4,120,267
Capital outlays	129,676	560,228	....	196,949	862	887,715	840,633
Debt service:							
Principal	11,470	6,340	147,583	3,529	34	168,956	144,484
Interest	1,168	1,456	229,708	595	8	232,935	226,605
Total Expenditures	7,857,321	2,021,315	377,291	249,801	687,626	11,193,354	10,277,449
Excess of Revenues Over (Under) Expenditures	625,050	298,605	(363,142)	(220,733)	341,883	681,663	299,227
OTHER FINANCING SOURCES (USES):							
Bond sale proceeds	....	10,000	....	161,114	....	171,114	229,987
Proceeds of refunding bonds	....	....	127,277	....	....	127,277	383,702
Payment to refunded bond escrow agent	....	....	(127,130)	....	....	(127,130)	(383,702)
Note proceeds	....	....	....	....	....	....	5,732
Operating transfers in	410,448	231,302	405,139	57,794	25,765	1,130,448	847,630
Operating transfers out	(537,390)	(369,470)	(20,939)	(32,140)	(46,351)	(1,006,290)	(712,648)
Capital lease acquisitions	8,602	2,896	....	....	....	11,498	3,832
Total Other Financing Sources (Uses)	(118,340)	(125,272)	384,347	186,768	(20,586)	306,917	374,533
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	506,710	173,333	21,205	(33,965)	321,297	988,580	673,760
FUND BALANCES:							
Fund balances as restated, July 1	1,118,761	746,892	87,992	24,344	1,401,770	3,379,759	2,331,246
Residual equity transfers in	130	210	....	....	....	340	188
Residual equity transfers out	(8)	(44)	(79)	....	(10)	(141)	(176)
Fund Balances, June 30	$1,625,593	$ 920,391	$ 109,118	$ (9,621)	$1,723,057	$ 4,368,538	$ 3,005,018

The notes to the financial statements are an integral part of this statement.

STATE OF WASHINGTON

Interim 1989-1991 Biennium Combined Statement of Revenues, Expenditures, and Other Financing Sources (Uses) - Budget and Actual
All Governmental Fund Types
For the Fiscal Year Ended June 30, 1990
(expressed in thousands)

	GENERAL FUND			SPECIAL REVENUE FUNDS		
	APPROVED BUDGET 1989-91 BIENNIUM	ACTUAL BIENNIUM-TO-DATE THRU 6-30-90	DIFFERENCE UNCOLLECTED/ UNSPENT THRU 6-30-90	APPROVED BUDGET 1989-91 BIENNIUM	ACTUAL BIENNIUM-TO-DATE THRU 6-30-90	DIFFERENCE UNCOLLECTED/ UNSPENT THRU 6-30-90
REVENUES:						
Taxes	$12,970,107	$ 6,321,947	$(6,648,160)	$ 1,302,961	$ 677,282	$ (625,679)
Licenses, permits, and fees	129,699	66,451	(63,248)	564,108	278,954	(285,154)
Federal grants-in-aid	3,541,682	1,628,013	(1,913,669)	1,617,216	771,431	(845,785)
Charges for services	407,961	201,835	(206,126)	264,468	142,728	(121,740)
Miscellaneous revenue	431,870	249,269	(182,601)	673,391	450,485	(222,906)
Total Revenues	17,481,319	8,467,515	(9,013,804)	4,422,144	2,320,880	(2,101,264)
EXPENDITURES:						
Current:						
General government	986,303	466,679	519,624	470,973	212,536	258,437
Human services	6,941,313	3,139,570	3,801,743	249,556	103,910	145,646
Natural resources and recreation	593,887	280,644	313,243	279,473	97,878	181,595
Transportation	77,299	34,206	43,093	770,526	311,495	459,031
Education	8,332,855	3,903,371	4,429,484	1,104,426	536,155	568,271
Capital outlays	209,856	9,493	200,363	2,219,023	755,526	1,463,497
Debt service	....	....	....	2,743	2,142	601
Total Expenditures	17,141,513	7,833,963	9,307,550	5,096,720	2,019,642	3,077,078
Excess of Revenues Over (Under) Expenditures	339,806	633,552	293,746	(674,576)	301,238	975,814
OTHER FINANCING SOURCES (USES):						
Bond sale proceeds	....	....	....	473,630	10,000	(463,630)
Proceeds of refunding bonds	....	....	....	....	....	....
Payment to refunded bond escrow agent.	....	....	....	....	....	....
Operating transfers in	419,159	410,448	(8,711)	290,600	231,302	(59,298)
Operating transfers out	(743,329)	(537,390)	205,939	(576,769)	(369,470)	207,299
Total Other Financing Sources (Uses)	(324,170)	(126,942)	197,228	187,461	(128,168)	(315,629)
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	$ 15,636	$ 506,610	$ 490,974	$ (487,115)	$ 173,070	$ 660,185

The notes to the financial statements are an integral part of this statement.

DEBT SERVICE FUNDS			CAPITAL PROJECTS FUNDS			TOTALS (MEMORANDUM ONLY)		
APPROVED BUDGET 1989-91 BIENNIUM	ACTUAL BIENNIUM-TO-DATE THRU 6-30-90	DIFFERENCE UNCOLLECTED/ UNSPENT THRU 6-30-90	APPROVED BUDGET 1989-91 BIENNIUM	ACTUAL BIENNIUM-TO-DATE THRU 6-30-90	DIFFERENCE UNCOLLECTED/ UNSPENT THRU 6-30-90	APPROVED BUDGET 1989-91 BIENNIUM	ACTUAL BIENNIUM-TO-DATE THRU 6-30-90	DIFFERENCE UNCOLLECTED/ UNSPENT THRU 6-30-90
$...........	$...........	$...........	$...........	$...........	$...........	$14,273,068	$ 6,999,229	$ (7,273,839)
....	....	....	....	....	....	693,807	345,405	(348,402)
....	164	164	....	....	....	5,158,898	2,399,608	(2,759,290)
....	....	....	29,704	15,290	(14,414)	702,133	359,853	(342,280)
58,708	13,985	(44,723)	41,872	13,778	(28,094)	1,205,841	727,517	(478,324)
58,708	14,149	(44,559)	71,576	29,068	(42,508)	22,033,747	10,831,612	(11,202,135)
....	....	....	690	....	690	1,457,966	679,215	778,751
....	....	....	....	....	....	7,190,869	3,243,480	3,947,389
....	....	....	....	....	....	873,360	378,522	494,838
....	....	....	1,000	142	858	848,825	345,843	502,982
....	....	....	....	....	....	9,437,281	4,439,526	4,997,755
....	....	....	1,018,658	246,611	772,047	3,447,537	1,011,630	2,435,907
823,966	377,291	446,675	3,101	3,048	53	829,810	382,481	447,329
823,966	377,291	446,675	1,023,449	249,801	773,648	24,085,648	10,480,697	13,604,951
(765,258)	(363,142)	402,116	(951,873)	(220,733)	731,140	(2,051,901)	350,915	2,402,816
....	....	....	707,483	161,114	(546,369)	1,181,113	171,114	(1,009,999)
....	127,277	127,277	....	....	....	....	127,277	127,277
....	(127,130)	(127,130)	....	....	....	....	(127,130)	(127,130)
756,406	405,139	(351,267)	99,973	57,794	(42,179)	1,566,138	1,104,683	(461,455)
(68,891)	(20,939)	47,952	(67,274)	(32,140)	35,134	(1,456,263)	(959,939)	496,324
687,515	384,347	(303,168)	740,182	186,768	(553,414)	1,290,988	316,005	(974,983)
$ (77,743)	$ 21,205	$ 98,948	$ (211,691)	$ (33,965)	$ 177,726	$ (760,913)	$ 666,920	$ 1,427,833

STATE OF WASHINGTON

Combined Statement of Revenues, Expenses, and Changes in Fund Equity All Proprietary Fund Types and Similar Trust Funds For the Fiscal Year Ended June 30, 1990 (expressed in thousands)

	PROPRIETARY FUND TYPES		FIDUCIARY FUND TYPES		TOTALS (MEMORANDUM ONLY)	
	ENTERPRISE	INTERNAL SERVICE	NONEXPENDABLE TRUST	PENSION TRUST	YEAR ENDED JUNE 30, 1990	YEAR ENDED JUNE 30, 1989
OPERATING REVENUES:						
Sales	$ 307,323	$ 101,786	$	$	$ 409,109	$ 375,198
Less: Cost of goods sold	211,673	83,112			294,785	273,737
Gross profit	95,650	18,674			114,324	101,461
Charges for services	335,306	298,966	1		634,273	585,378
Earnings on investments			50,906	1,082,965	1,133,871	913,454
Pension contributions				838,569	838,569	785,951
Insurance premiums	716,085	268,591			984,676	895,748
Lottery ticket proceeds	246,334				246,334	255,411
Miscellaneous revenue	108,493	18,948	41,523		168,964	143,895
Total Operating Revenues	1,501,868	605,179	92,430	1,921,534	4,121,011	3,681,298
OPERATING EXPENSES:						
Salaries and wages	269,624	105,221			374,845	343,409
Employee benefits	61,591	25,168			86,759	75,125
Personal services	24,699	11,298		1,233	37,230	27,329
Goods and services	204,409	138,022		234	342,665	550,471
Travel	9,610	2,374			11,984	10,745
Insurance benefit payments	843,261	261,199			1,104,460	810,290
Lottery prize payments	116,750				116,750	117,688
Depreciation and amortization	35,645	36,536			72,181	66,876
Pension benefit payments				691,390	691,390	626,938
Miscellaneous expenses	13,744	7,100			20,844	36,288
Total Operating Expenses	1,579,333	586,918		692,857	2,859,108	2,665,159
Operating Income (Loss)	(77,465)	18,261	92,430	1,228,677	1,261,903	1,016,139
NONOPERATING REVENUES (EXPENSES):						
Other revenue (expenses)	(830)	(2,594)	117	5	(3,302)	1,319
Interest income	332,529	11,569			344,098	306,511
Interest expense	(21,737)	(334)			(22,071)	(21,943)
Liquor profits distributed to local governments	(24,550)				(24,550)	(23,250)
Total Nonoperating Revenues (Expenses)	285,412	8,641	117	5	294,175	262,637
Income Before Operating Transfers	207,947	26,902	92,547	1,228,682	1,556,078	1,278,776
OPERATING TRANSFERS:						
Operating transfers in	273,826	25,490	12,721		312,037	348,807
Operating transfers out	(369,576)	(26,494)	(39,255)	(870)	(436,195)	(483,789)
Net Operating Transfers In (Out)	(95,750)	(1,004)	(26,534)	(870)	(124,158)	(134,982)
Net Income (Loss) Before Extraordinary Item	112,197	25,898	66,013	1,227,812	1,431,920	1,143,794
EXTRAORDINARY ITEMS:						
Bond refunding gain (loss)	(930)				(930)	(14,340)
NET INCOME (LOSS)	111,267	25,898	66,013	1,227,812	1,430,990	1,129,454
FUND EQUITY:						
Fund equity as restated, July 1	950,491	230,723	548,193	12,345,724	14,075,131	12,247,825
Residual equity transfers in		3,753		264	4,017	672
Residual equity transfers out	(126)	(3,712)	(101)	(260)	(4,199)	(2,291)
Unrealized gain (loss) on investments	(52,012)				(52,012)	671,167
Contributions of capital	79,986	2,298			82,284	27,504
Return of contributed capital	(5)	(2,423)			(2,428)	(4,488)
Fund Equity, June 30	$ 1,089,601	$ 256,537	$ 614,105	$13,573,540	$ 15,533,783	$ 14,069,843

The notes to the financial statements are an integral part of this statement.

STATE OF WASHINGTON

Combined Statement of Cash Flows
All Proprietary Fund Types and Nonexpendable Trust Funds
For the Fiscal Year Ended June 30, 1990
(expressed in thousands)

	PROPRIETARY FUND TYPES		FIDUCIARY FUND TYPES	TOTALS (MEMORANDUM ONLY)	
	ENTERPRISE	INTERNAL SERVICE	NONEXPENDABLE TRUST	YEAR ENDED JUNE 30, 1990	YEAR ENDED JUNE 30, 1989
CASH FLOWS FROM OPERATING ACTIVITIES:					
OPERATING INCOME (LOSS)	$ (77,465)	$ 18,261	$ 92,430	$ 33,226	$ (12,646)
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATIONS:					
Depreciation	35,645	36,536	....	72,181	66,076
Amortization of premiums/discounts on investments	3,131	....	(833)	2,298	12,423
CHANGE IN ASSETS: DECREASE (INCREASE)					
Receivables (net of allowance)	(45,706)	50	(7,319)	(52,975)	9,783
Due from other funds	13,508	6,625	1,151	21,284	(17,558)
Due from other governments	372	(5,359)	....	(4,987)	(1,781)
Inventories	(3,111)	(3,502)	....	(6,613)	3,737
Prepaid expenses	244	(223)	....	21	(381)
Other nonfixed assets	....	640	4,049	4,689	1,675
CHANGE IN LIABILITIES: INCREASE (DECREASE)					
Accounts payable	28,958	2,862	....	31,820	6,794
Contracts and retainages payable	4,332	405	(675)	4,062	2,943
Accrued liabilities	8,226	2,419	6,346	16,991	24,310
Due to other funds	(51,339)	(11,141)	788	(61,692)	4,336
Due to other governments	836	(32)	....	804	(996)
Deferred revenues	3,436	1,454	3,813	8,703	230
Workers' compensation benefits payable	280,701	....	....	280,701	276,562
Other long-term obligations	18,217	(1,756)	244	16,705	43,281
Net Cash or Cash Equivalents Provided By (Used In) Operating Activities	219,985	47,239	99,994	367,218	418,788
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:					
Liquor profits distributed to local government	(24,550)	....	....	(24,550)	(23,250)
Operating transfers in	273,826	25,490	12,721	312,037	348,807
Operating transfers out	(369,576)	(26,494)	(39,255)	(435,325)	(483,094)
Contributions of capital	79,986	2,298	....	82,284	27,504
Return of contributed capital	(5)	(2,423)	....	(2,428)	(4,488)
Fund equity transfers in (out)	(126)	41	(101)	(186)	(1,619)
Other revenue (expenses)	(830)	(2,594)	117	(3,307)	1,319
Net Cash or Cash Equivalents Provided By (Used In) Noncapital Financing Activities	(41,275)	(3,682)	(26,518)	(71,475)	(134,821)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:					
Payments for interest	(21,737)	(335)	....	(22,072)	(21,943)
Acquisitions of fixed assets	(127,375)	(66,645)	....	(194,020)	(166,203)
Proceeds from sale of fixed assets	63,287	13,654	....	76,941	67,080
Bond refunding loss	(930)	....	....	(930)	(14,340)
Retirement of long-term bonds payable	(14,573)	....	....	(14,573)	(102,653)
Proceeds from long-term bonds payable	1,950	....	....	1,950	107,430
Net Cash or Cash Equivalents Provided By (Used In) Capital and Related Financing Activities	(99,378)	(53,326)	....	(152,704)	(130,629)
CASH FLOWS FROM INVESTING ACTIVITIES:					
Receipt of interest	332,529	11,569	....	344,098	306,513
Proceeds from sale of investment securities	4,441,098	1,325	214,391	4,656,814	3,656,121
Purchases of investment securities	(4,874,508)	(1,100)	(272,968)	(5,148,576)	(4,076,837)
Net Cash Provided By (Used In) Investing Activities	(100,881)	11,794	(58,577)	(147,664)	(114,203)
NET INCR. (DECR.) IN CASH AND POOLED INVESTMENTS	(21,549)	2,025	14,899	(4,625)	39,135
CASH AND POOLED INVESTMENTS AT JULY 1, 1989	164,534	103,236	8,262	276,032	232,218
CASH AND POOLED INVESTMENTS AT JUNE 30, 1990	$ 142,985	$ 105,261	$ 23,161	$ 271,407	$ 271,353

The notes to the financial statements are an integral part of this statement.

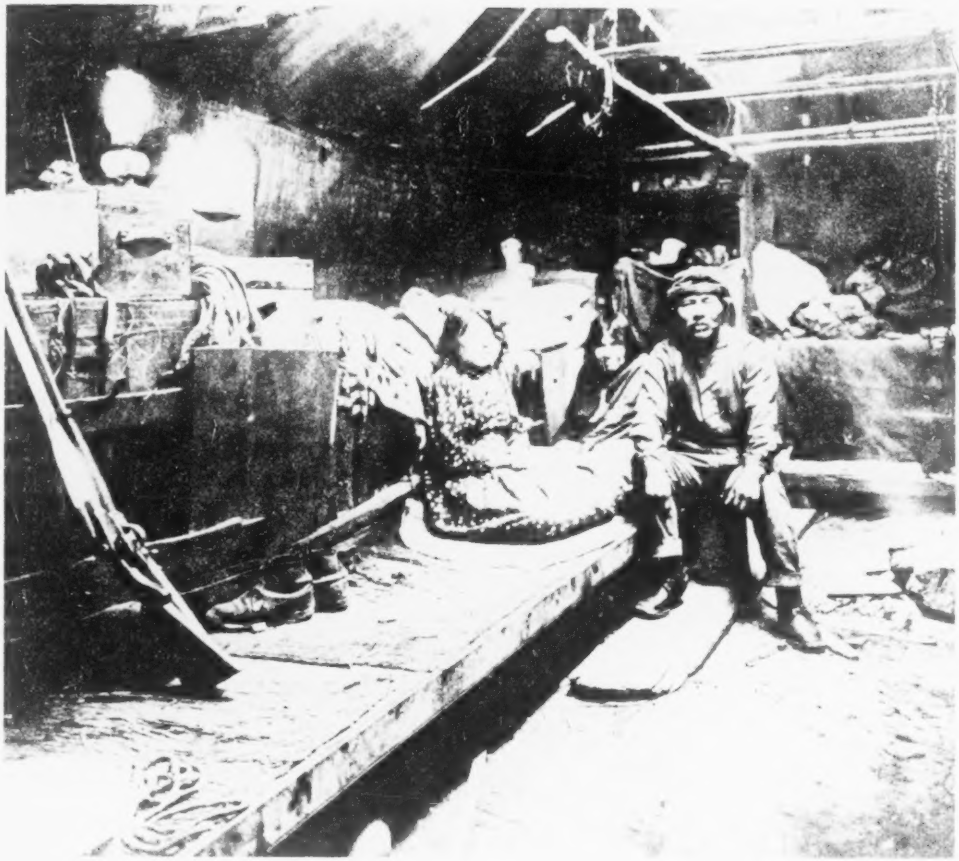
STATE OF WASHINGTON

Interim 1989-1991 Combined Statement of Revenues and Expenses Budget and Actual All Proprietary Fund Types For the Fiscal Year Ended June 30, 1990 (expressed in thousands)

	ENTERPRISE FUNDS			INTERNAL SERVICE FUNDS		
	ESTIMATED/ APPROVED BUDGET 1989-91 BIENNIUM	ACTUAL BIENNIUM-TO-DATE THROUGH 06-30-90	DIFFERENCE UNCOLLECTED/ UNSPENT THROUGH 06-30-90	ESTIMATED/ APPROVED BUDGET 1989-91 BIENNIUM	ACTUAL BIENNIUM-TO-DATE THROUGH 06-30-90	DIFFERENCE UNCOLLECTED/ UNSPENT THROUGH 06-30-90
OPERATING REVENUES:						
Sales	$ 582,829	$ 307,323	$ (275,506)	$ 229,054	$ 101,786	$ (127,268)
Charges for services	444,995	335,306	(109,689)	438,069	298,966	(139,103)
Insurance premiums	1,577,363	716,085	(861,278)	587,000	268,591	(318,409)
Lottery ticket proceeds	500,500	246,334	(254,166)	....	....	....
Miscellaneous revenues	204,116	108,494	(95,622)	32,287	18,948	(13,339)
Total Operating Revenues	3,309,803	1,713,542	(1,596,261)	1,286,410	688,291	(598,119)
EXPENSES:						
Allotted expenses	1,351,604	598,273	753,331	538,952	244,943	294,009
Nonallotted expenses (adjustments)	1,913,237	1,239,021	674,216	879,546	425,210	454,336
Total Expenses	3,264,841	1,837,294	1,427,547	1,418,498	670,153	748,345
Net Operating Revenues Over (Under) Expenses	44,962	(123,752)	(168,714)	(132,088)	18,138	150,226
NONOPERATING REVENUES:						
Other revenue (expense)	....	(830)	(830)	76	(2,594)	(2,670)
Interest income	9,939	332,529	322,590	3,609	11,358	7,749
Bond refunding gain (loss)	....	(930)	(930)	....	....	....
Total Nonoperating Revenues	9,939	330,769	320,830	3,685	8,764	5,079
Income (Loss) Before Operating Transfers	54,901	207,017	152,116	(128,403)	26,902	155,305
OPERATING TRANSFERS:						
Operating transfers in		273,826			25,490	
Operating transfers out		(369,576)			(26,494)	
Net Operating Transfers In (Out)	(97,830)	(95,750)	2,080	10,669	(1,004)	(11,673)
NET INCOME (LOSS)	$ (42,929)	$ 111,267	$ 154,196	$ (117,734)	$ 25,898	$ 143,632

The notes to the financial statements are an integral part of this statement.

TOTALS (MEMORANDUM ONLY)		
ESTIMATED/ APPROVED BUDGET 1989-91 BIENNIUM	ACTUAL BIENNIUM-TO-DATE THROUGH 06-30-90	DIFFERENCE UNCOLLECTED/ UNSPENT THROUGH 06-30-90
$ 811,883	$ 409,109	$ (402,774)
883,064	634,272	(248,792)
2,164,363	984,676	(1,179,687)
500,500	246,334	(254,166)
236,403	127,442	(108,961)
4,596,213	2,401,833	(2,194,380)
1,890,556	843,216	1,047,340
2,792,783	1,664,231	1,128,552
4,683,339	2,507,447	2,175,892
(87,126)	(105,614)	(18,488)
76	(3,424)	(3,500)
13,548	343,887	330,339
....	(930)	(930)
13,624	339,533	325,909
(73,502)	233,919	307,421
	299,316	
	(396,070)	
(87,161)	(96,754)	(9,593)
$ (160,663)	$ 137,165	$ 297,828



Polson Museum

Longhouses

Several extended families usually lived together during the winter in large cedar plank houses. "Shed-roof" houses in this region were sometimes as large as 600 feet long, 60 feet wide, and 15 feet high in front. As more families came together, the frame of the house could be expanded lengthwise by adding more pairs of house posts, roof beams, and planks. A plank bed-platform usually extended around the walls, except at the doors, and cattail mats were used for insulation, bedding, and room dividers. The earth floor was sometimes excavated slightly to make it level.

> *I lived for a while in a so-called smokehouse. It was a large building made of cedar. Each member of a family had its own quarters divided by mats made by the Indian women. Indian women did everything. They preserved their fish, dried their salmon - whatever. And they had a short table that they set for their family or visitors, and they always had plenty of food. They used wooden trays; they were nice wooden trays that they used for serving their meals. Everything needed was on that tray. They lived very happy in their homes.*
>
> *- Theresa Guerin Gibbs, Lummi Tribe*

NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 1990

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements of the state of Washington have been prepared in conformity with generally accepted accounting principles (GAAP). The primary authority for the state's accounting and reporting requirements is the Office of Financial Management (OFM). OFM has adopted the pronouncements of the Governmental Accounting Standards Board (GASB) which is the accepted standard-setting body for establishing governmental accounting and financial reporting principles nationally. The more significant of the state's accounting policies are as follows:

A. Reporting Entity

In evaluating how to define the state of Washington, for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in GAAP. The basic, but not the only, criterion for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations, and accountability for fiscal matters. A second criterion used in evaluating potential component units is the scope of public service. Application of this criterion involves considering whether the activity benefits the government and/or its citizens, or whether the activity is conducted within the geographic boundaries of the government and is generally available to its citizens. A third criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the government is able to exercise oversight responsibilities. Based upon the application of these criteria, the following is a brief review of each potential component unit addressed in defining the state's reporting entity.

Included within the reporting entity:

STATE AGENCIES - Except as otherwise described herein, all state elected offices, departments, agencies, commissions, boards, committees, authorities, and councils (agencies) and all funds and account groups of the state are included in the state's reporting entity. Executives of these agencies are either elected, directly appointed by the governor, appointed by a board which is appointed by the governor, or appointed by a board which is in part appointed by the governor. Additionally, a small number of board positions are established by statute or independently elected. The state legislature created these agencies, assigns their programs, approves operational funding, and requires financial accountability. The legislature also authorizes all bond issuances for capital construction projects for the benefit of state agencies. The legal liability for these bonds and the ownership of agency assets reside with the state.

COLLEGES AND UNIVERSITIES - The governing boards of the 24 state community colleges and districts, the state college, and the five state universities (colleges) are appointed by the governor. Each college's governing board appoints a president to function as the chief administrator. The state legislature approves all budgets and budget amendments for the colleges and requires financial accountability. Colleges are authorized by statute to issue bonds for capital construction. The legal liability for the bonds and the ownership of college assets reside with the state. Financial operations of the state's colleges have been included in the accompanying financial statements and reported using the fund structure prescribed by GASB; not according to the fund structure of the National Association of College and University Business Officers.

RETIREMENT SYSTEMS - The state of Washington, through the Department of Retirement Systems, administers five retirement systems for public employees of the state and political subdivisions: the Public Employees' Retirement System, the Teachers' Retirement System, the Law Enforcement Officers' and Fire Fighters' Retirement System, the Washington State Patrol Retirement System, and the Judicial Retirement System. The Volunteer Fire Fighters' Relief and Pension Fund retirement system is administered through the Board for Volunteer Fire Fighters'. The governor appoints the directors of the Department of Retirement Systems and the Board for Volunteer Fire Fighters' to manage these systems. An additional

Higher Education supplement retirement plan is administered through the individual higher education institutions. The state legislature establishes laws pertaining to the creation and administration of all public retirement systems. The state and public retirement systems' participants provide funding for all costs of the systems based upon actuarial valuations. The state establishes benefit levels and approves the actuarial assumptions used in determining contribution levels.

The WASHINGTON HEALTH CARE FACILITIES AUTHORITY, the WASHINGTON HIGHER EDUCATION FACILITIES AUTHORITY, and the WASHINGTON STATE HOUSING FINANCE COMMISSION are included in the state's reporting entity, however they are authorized to issue nonrecourse revenue bonds and the debt is excluded from the reporting entity. Bond proceeds are loaned to qualified nonprofit health care and higher education facilities for construction and related improvements, and to qualified home buyers for new, existing, or improved residential dwellings. These bonds do not constitute either a legal or moral obligation of the state or these authorities, nor does the state or these authorities pledge their faith and credit for the payment of such bonds. Debt service on the bonds is payable solely from payments pursuant to loan agreements.

Excluded from the reporting entity:

Washington's AGRICULTURAL COMMODITY COMMISSIONS are organized under state laws and by agricultural industry leaders to enable farm product producers to assess themselves and accumulate funds primarily for commodity advertising and research. Commission members are elected by the producers, handlers, and/or dealers they represent, except for Beef Commission members who are appointed by the governor. These potential component units are excluded from the reporting entity because the state does not have the ability to exercise influence over their daily operations, approve budgets, or provide funding. Financial reports of the Agricultural Commodity Commissions may be obtained from each commission.

The WASHINGTON PUBLIC POWER SUPPLY SYSTEM (WPPSS) was established in 1957 by a group of seventeen public electrical utilities (member utilities) throughout the state. The Executive Board, WPPSS's governing authority, consists of 11 members, eight of which are selected by the member utilities and three of which are appointed by the governor. The Executive Board has total responsibility for WPPSS's operations and approves all budgets. The member utilities have undivided ownership of all common facilities and assets of WPPSS. All debt, bonded or otherwise, is the responsibility of WPPSS and the member utilities, and is neither a legal nor a moral obligation of the state.

B. Fund Accounting Structure

The state uses approximately 398 accounts which have been administratively combined into 47 funds and 2 account groups. The state uses these funds and account groups to report on its financial position and results of operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets (General Fixed Assets Account Group) and liabilities (General Long-Term Obligations Account Group) that are not recorded in the funds because they do not directly affect net expendable available financial resources. Funds are classified into three categories: governmental; proprietary; and fiduciary. Each category, in turn, is divided into separate "fund types."

Governmental Funds

Governmental funds are used to account for all or most of a government's general activities, including the collection and disbursement of earmarked monies (special revenue funds), the acquisition or construction of general fixed assets (capital projects funds), and the servicing of general long-term debt (debt service funds). The General Fund is used to account for activities of the general government not accounted for in some other fund.

Proprietary Funds

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Goods or services from such activities can be provided either to outside parties (enterprise funds) or to other departments or agencies primarily within the government (internal service funds).

Fiduciary Funds

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the government. When these assets are held under the terms of a formal trust agreement, either a pension trust fund, a nonexpendable trust fund, or an expendable trust fund is used. The terms "nonexpendable" and "expendable" refer to whether or not the government is under an obligation to maintain the trust principal. Agency funds are generally used to account for assets that the government holds on behalf of others as their agent.

C. Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental and expendable trust funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements for these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

All proprietary, nonexpendable trust, and pension trust funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and liabilities associated with the operations of these funds are included on the balance sheet. Equity (i.e., net total assets) in proprietary funds is segregated into contributed capital and unreserved retained earnings components. Fund equity for nonexpendable trust and pension trust funds is shown as reserved for nonexpendable trust corpus and reserved for retirement systems respectively. Proprietary, nonexpendable trust, and pension trust fund operating statements present increases (e.g., revenues) and decreases (e.g., expenses) in net total assets.

All proprietary, nonexpendable trust, and pension trust funds are accounted for using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when they are earned and expenses are recognized when the related liability is incurred.

The modified accrual basis of accounting is used by all governmental, expendable trust, and agency funds. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined. "Available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Major revenues that are determined to be susceptible to accrual include sales and business and occupation taxes, federal grants-in-aid, and charges for services.

Revenues from property taxes are determined to be available if collectible within 60 days. All other accrued revenue sources are determined to be available if collectible within 12 months. Excise taxes, motor fuel taxes, and unemployment compensation contributions are considered measurable when the return is received. Revenues from licenses, permits, and fees are recognized when received in cash.

Property taxes are levied in December for the following calendar year. The first half year collections are due April 30 and the second half year collections are due October 31. Since the state is on a fiscal year ending June 30, the first half year collections are recognized as revenue, if collectible within 60 days of the fiscal year end. The second half year collections are recognized as receivables offset by deferred revenue. The lien date on property taxes is January 1 of the tax levy year.

Under modified accrual accounting, expenditures are recognized when the related fund liability is incurred. Exceptions to the general modified accrual expenditure recognition criteria include principal and interest on general long-term indebtedness which are recognized when due and compensated absences which are recognized when paid.

The state reports deferred revenues on its combined balance sheet. Deferred revenues arise when a potential revenue does not meet both the "measurable" and the "available" criteria for revenue recognition in the current period. Deferred revenues also arise when resources are received by the state before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In addition to property taxes receivable after 60 days as stated above, deferred revenues arise when the state enters into timber cutting contracts. Revenue for the timber cutting contracts is not recognized until the timber is harvested. In subsequent periods, when both revenue recognition criteria are met, or when the state has a legal claim to the resources, the liability for deferred revenue is removed from the balance sheet and revenue is recognized.

D. General Budgetary Policies and Procedures

The Governor is required to submit a budget to the State Legislature no later than December 20 of the year preceding odd-numbered year sessions of the Legislature. The budget is a proposal for expenditures in the ensuing biennial period based upon anticipated revenues from the sources and rates existing by law at the time of submission of the budget. The Governor may additionally submit, as an appendix to the budget, a proposal for expenditures in the ensuing biennium from revenue sources derived from proposed changes in existing statutes.

The appropriated budget and any necessary supplemental budgets are legally required to be adopted through the passage of biennial appropriation bills by the Legislature and approval by the Governor. Biennial operating appropriations are made at the fund/account and agency level. Biennial capital appropriations are generally made at the fund/account, agency, and project level. The legal level of budgetary control is at the fund/account, agency, and appropriation level, with administrative controls established at lower levels of detail in certain instances. The accompanying "Combined Statement of Revenues, Expenditures, and Other Financing Sources (Uses) - Budget and Actual - All Governmental Fund Types" ("Governmental Budgetary Statement") and "Combined Statement of Revenues and Expenses - Budget and Actual - All Proprietary Fund Types" ("Proprietary Budgetary Statement") are not presented at the legal level of budgetary control. This is due to the large number of different budgeted fund/accounts and appropriations within agencies that would make such a presentation in the accompanying financial statements extremely cumbersome. Section 2400.112 of the GASB Codification of Governmental Accounting and Financial Reporting Standards provides for the preparation of a separate report where necessary in extreme cases. For the state of Washington, two separate reports have been prepared for the 1989-1991 Biennium to illustrate legal budgetary compliance. Approved budget versus actual expenditures and estimated versus actual revenues and other financing sources (uses) at the fund/account, agency, and appropriation level are presented in Report MFS1054 for governmental funds. Approved budget versus actual expenses for allotted expenses and estimated nonallotted expenses and estimated versus actual revenues are presented in Report MFS1064 for proprietary funds. A copy of these reports is available at the Office of Financial Management, 4505 Woodview Drive SE, Mail Stop: QF-41, Lacey, Washington 98504.

All appropriated and nonappropriated/allotted funds are controlled by the executive branch through the allotment process. This process allocates the expenditure/expense plan into monthly allotments by program, source of funds, and object of expenditure. According to statute RCW 43.88.110(2), except under limited circumstances, the original biennial allotments are approved by the governor and may be revised only at the beginning of the second year of the biennium and must be initiated by the governor. This occasionally causes an overexpenditure of original or supplemental allotments at the end of the biennium. Also, OFM is authorized to make expenditure/expense allotments based on availability of unanticipated receipts, mainly federal government grant increases made during a fiscal year. Although state law does not necessarily preclude the overexpenditure of allotments, RCW 43.88.110(3) requires that the legislature be provided an explanation of all major variances. However, biennial appropriations are strict legal limits on expenditures/expenses and overexpenditures are prohibited.

Appropriations lapse at the end of the biennium. Encumbrances also lapse at the end of the biennium except for certain instances where capital outlay encumbrances are reappropriated in the ensuing biennium. Encumbrances are treated as reservations of fund balance.

Budgetary Reporting versus GAAP Reporting

Governmental Funds

Governmental funds are budgeted materially in conformance with GAAP. However, the presentation in the accompanying "Governmental Budgetary Statement" is different from the "Combined Statement of Revenues, Expenditures, and Changes in Fund Balance - All Governmental Fund Types" because capital outlays are presented in the accompanying "Governmental Budgetary Statement" according to how they are budgeted; that is, expenditures which are included in the state's capital budget. However, in the accompanying "Combined Statement of Revenues, Expenditures, and Changes in Fund Balance -

All Governmental Fund Types," capital outlays are presented according to what was actually purchased; such as land, buildings, and equipment, rather than according to how they were budgeted. Additionally, federal surplus food commodities and capital leases do not appear on the "Governmental Budgetary Statement" because these noncash transactions are not appropriated or allotted during the budget process. Even though the presentation is different, the amount of "Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses" is the same.

Proprietary Funds

Proprietary funds are budgeted using a combination of fixed and flexible budgets. Fixed budgets are employed using the appropriation and allotment process. Fixed budgets are included with flexible estimates in business plans prepared by agencies for proprietary operations under their control. These business plans constitute a full accrual GAAP budget for a given proprietary fund.

The accompanying "Proprietary Budgetary Statement" demonstrates compliance with the appropriated/allotted budget on the line entitled "Allotted Expenses" which presents the approved budget versus actual. This represents the fixed portion of the budget for proprietary funds and typically includes administrative expenses and the budgetary authority to purchase capital assets. This schedule also includes flexible budget estimates and actuals for nonallotted expenses such as depreciation and amortization, and other nonallotted expenses including adjustments to budgeted expenses which reduce amounts shown for capital asset purchases and other adjustments to result in a full accrual presentation. As a result, net income (loss) on the "Proprietary Budgetary Statement" agrees with the net income (loss) on the "Combined Statement of Revenues, Expenses, and Changes in Fund Equity - All Proprietary Fund Types."

E. Cash and Investments

Short-term investments of surplus or pooled cash balances are recorded at cost, which approximates fair market value for these investments. The Office of State Treasurer invests most state cash surpluses. The cash balance of the fund is not reduced for these investments. The residual investments are reported on the balance sheet as equity in cash and pooled investments. Earnings on the pooled investments are allocated to participating funds on an average daily balance basis with generally 20 percent of earnings allocated to the General Fund.

The method of accounting for non-current investments varies depending upon the fund classification. Deferred Compensation Plan and Pension Funds investments are reported at market value. Worker's Compensation fund equity securities are valued at market and fixed income securities are valued at amortized cost. Unrealized gains and losses for equity securities are recorded in the fund equity section of the balance sheet; gains and losses are recognized at the time of sale or disposition. Market values for the preceding funds are determined using closing market prices at year end for marketable securities and other reasonable methods for investments where market values are not readily available. All other funds value equity investments at cost and fixed income investments at amortized cost.

F. Receivables

Receivables in the state's governmental and fiduciary funds consist primarily of tax and federal revenues. Receivables in all other funds have arisen in the ordinary course of business. Receivables are recorded when either the asset or revenue recognition criteria (see Note 1.C, page 41) has been met.

G. Inventories

Consumable inventories, consisting of expendable materials and supplies held for consumption, are generally valued using the weighted average method. Merchandise inventories are generally valued using the first-in, first-out method.

Governmental and expendable trust fund inventories are valued at cost and are recorded using the consumption method. Inventory balances are also recorded as a reserve of fund balance indicating that they do not constitute "available spendable resources."

Proprietary fund inventories are valued at the lower of cost or market and are expensed when used. Donated consumable inventories, as shown in applicable funds, are valued at fair market.

H. Fixed Assets

All purchased fixed assets are valued at cost where historical records are available and at estimated historical cost where no historical records exist. Donated fixed assets are valued at their estimated fair market value on the date of donation. Where necessary, estimates of original cost and fair market value are derived by factoring price levels from the current period to the time of acquisition.

Fixed asset costs include the purchase price or construction cost, plus those costs necessary to place the asset in its intended location and condition for use. In proprietary and similar trust funds, interest costs (if material) on self-constructed assets are included in the cost. Normal maintenance and repair costs that do not materially add to the value or extend the life of the asset are not capitalized.

Public domain (infrastructure) general fixed assets consisting of certain improvements other than buildings (including roads, bridges, curbs and gutters, streets and sidewalks, drainage systems, lighting systems, and similar assets) are not capitalized.

Fixed assets in governmental funds are not capitalized in the funds used to acquire or construct them. Instead, capital acquisition and construction are reflected as expenditures in governmental funds, and related assets are reported in the General Fixed Assets Account Group. Accumulated depreciation is recorded in the General Fixed Assets Account Group. Depreciation is calculated using the straight-line method with estimated useful lives of fifty years for buildings, and five to forty years for furnishings and equipment, other improvements, and miscellaneous fixed assets.

Fixed assets used in proprietary and similar trust funds are accounted for in the fund in which they are utilized. Depreciation of fixed assets used in proprietary funds is charged as an operating expense and accumulated depreciation is reported on the balance sheet. Depreciation is computed using the straight-line method with estimated useful lives for buildings extending to fifty years. Furnishings and equipment, other improvements, and miscellaneous fixed assets are depreciated using estimated useful lives of three to forty years.

I. Risk Management and Insurance Activities

The state currently has a risk management program based on the concept of self-insurance. This program makes payments on claims arising from tortious conduct that result in judgements and settlements against the state. During Fiscal Year 1990, the risk management program closed approximately 3,200 claims with a total payout of $11.5 million.

Washington State passed a law in 1989 establishing a new comprehensive risk management program to restructure Washington's risk management and insurance program, and to help the state better manage the rising cost of liability claims. Effective July 1, 1990, the legislature created and funded a new Liability Account to pay future tort claims which will be supported from premiums paid by state agencies. Premiums will be based on actuarially-determined projections and include allowances for payments of both outstanding and current liabilities.

The state of Washington serves as insurance benefits coordinator for state employees and employees of certain other political subdivisions. The state offers numerous benefit package choices with outside insurance carriers in addition to its own uniform medical and dental plans. The uniform plans are risk retained programs. The state accounts for these activities in the State Employees' Insurance Fund. An accrued liability for claims that are incurred but not reported of $23.1 million has been recorded in that fund.

J. Workers' Compensation Program

The state of Washington, through Chapter 51 RCW, requires employers to secure payment of benefits for job related injuries and diseases either by paying insurance premiums to the Workers' Compensation Fund or by self-insuring. Direct private insurance is not authorized, although self-insurers are permitted to reinsure up to 80 percent of their obligations through private insurers.

The statutes provide five benefit plans to make compensation payments to injured employees for various losses. The Accident, Medical Aid, and Disability Benefit Plans make up the main Workers' Compensation Program. They are designed to be self-sustaining by employer paid insurance premiums and are, accordingly, accounted for as an insurance enterprise per FAS No. 60 in the Workers' Compensation Fund.

Second Injury benefits are available when a previous claim is being serviced in the Workers' Compensation Fund. This benefit plan receives its own premiums, but it does not carry its own long-term assets or liabilities. Under this plan the present value of any second injury claim is transferred to the Workers' Compensation Fund for further accounting and servicing of the claim. Accordingly, this plan's operations are accounted for in the Human Services Expendable Trust Fund.

Another plan provides for supplemental cost of living adjustments to injured employees receiving disability payments from the Workers' Compensation Fund. However, the enabling statute requires this plan to operate on a current payment basis and is subject to legislative cancellation. No assets are allowed to accumulate for the future servicing of current or yet-to-be submitted claims. Accordingly, this plan's operations are accounted for in the Human Services Expendable Trust Fund with the associated long-term liabilities in the General Long-Term Obligations Account Group.

K. Compensated Absences

Annual Leave

State employees accrue vested annual leave at a variable rate based on years of service. In general, accrued annual leave cannot exceed 30 days at the employee's anniversary date. It is the state's policy to liquidate unpaid annual leave at June 30 from future resources rather than currently available expendable resources. Accordingly, governmental and expendable trust funds recognize annual leave when it is paid. A long-term liability of $108.5 million for the accumulated annual leave in governmental and expendable trust funds has been recorded in the General Long-Term Obligations Account Group as of June 30, 1990. Proprietary and similar trust funds recognize the expense and accrued liability when the annual leave is earned. An accrued liability for accumulated annual leave has been recorded in Enterprise Funds of $14.5 million and $7.2 million in Internal Service Funds as of June 30, 1990.

Sick Leave

Employees accrue sick leave at the rate of one day per month without limitation on the amount that can be accumulated. Sick leave is not vested; i.e., the state does not pay employees for unused sick leave upon termination except upon employee death or retirement. At death or retirement, the state is liable for 25 percent of the employee's accumulated sick leave. In addition, the state has a "sick leave buyout option" in which each January, employees who accumulate sick leave in excess of 60 days may redeem sick leave earned but not taken during the previous year at the rate of one day's pay in exchange for each four days of sick leave. The sick leave buyout liability at June 30, 1990 for all funds is estimated to be approximately $1 million and considered to be immaterial. As a result, sick leave and sick leave buyout expenditures/expenses in all funds are recognized when the related payments are made per FAS No. 43 paragraph 6.c. and d. and paragraph 15.

L. Working Capital Reserve

Pursuant to RCW 43.88.030.(2) a working capital reserve of fund balance has been set aside in the General Fund to prevent a cash deficit and resulting in the unreserved undesignated fund balance being available spendable resources to the budget process.

M. Totals (Memorandum Only) Columns

Total columns on the general purpose financial statements are captioned "memorandum only" to indicate that they are presented only to facilitate financial analysis. The Data in these columns does not present financial position, results of operations or changes in financial position in conformity with generally accepted accounting principles. Furthermore, this data is not comparable to a consolidation as interfund eliminations have not been made in the aggregation of this data.

NOTE 2 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Deficit Fund Balance/Deficit Retained Earnings

Governmental Funds

The State Facilities Fund, a capital projects fund, had a deficit fund balance of $27.4 million at June 30, 1990. This is due to the state of Washington's policy on funding capital construction projects. The state sells bonds to satisfy anticipated cash flow requirements for the following six month period. The bond proceeds, however, are not always sufficient to offset accrued capital expenditures not expected to be paid within the six month period, thereby causing a temporary deficit fund balance. There were no other deficit fund balances in governmental or expendable trust funds as reflected in the accompanying financial statements.

Proprietary and Similar Trust Funds

The State Ferry and Toll Fund, an enterprise fund, had deficit retained earnings of $118.8 million at June 30, 1990. The Department of Transportation (DOT) uses the State Ferry and Toll Fund to account for: (1) receipt of revenue and payment of all operating expenses of the State Ferry System; (2) allocation of financial resources of certain accounts required to be maintained by bond resolution or statute; and (3) accounting for revenues, maintenance, and operations of the Spokane River Toll Bridge. The State Ferry System is considered to be part of the state highway system operated by DOT. As such, if the State Ferry System incurs a loss from operations, it is offset by subsidies provided by the Legislature for ferry equipment and facilities. These subsidies are recorded as contributed capital. Therefore, total fund equity for the State Ferry and Toll Fund was $388.0 million at June 30, 1990 as detailed below (expressed in thousands):

	Contributed Capital	Retained Earnings (Deficit)	Total Fund Equity
Balances at June 30, 1989	$ 426,784	$ (109,657)	$ 317,127
Fiscal Year 1990 Activity	79,985	(9,128)	70,857
Balances at June 30, 1990	$ 506,769	$ (118,785)	$ 387,984

There were no other deficit retained earnings in proprietary and similar trust funds as of June 30, 1990.

B. Budgetary Compliance

Biennial Budget

Budgeted amounts reported on the accompanying "Combined Statement of Revenues, Expenditures, and Other Financing Sources (Uses) - Budget and Actual - All Governmental Fund Types" ("Governmental Budgetary Statement") and "Combined Statement of Revenues and Expenses - Budget and Actual - All Proprietary Fund Types" ("Proprietary Budgetary Statement") include approved appropriations and approved nonappropriated allotments for the 1989-1991 Biennium. The following schedule details the approved budget by fund type (expressed in thousands):

	General	Special Revenue	Debt Service	Capital Projects	Enterprise	Internal Service	Total (Memo Only)
Legislative Appropriations:							
Original	$ 16,275,834	$ 3,442,727	$ 823,966	$ 813,080	$ 720,992	$ 168,171	$22,244,770
Supplemental	818,154	439,011	-	210,369	23,210	5,480	1,496,224
Total Legislative Appropriations	17,093,988	3,881,738	823,966	1,023,449	744,202	173,651	23,740,994
Unanticipated Receipts	47,525	7,809	-	-	7,996	727	64,057
Allotments, Nonappropriated Funds	-	1,207,173	-	-	599,406	364,574	2,171,153
Approved Budget	$ 17,141,513	$ 5,096,720	$ 823,966	$1,023,449	$ 1,351,604	$ 538,952	$25,976,204

Budget Overexpenditures

Because of the interim nature of the statement, no overexpenditures of appropriations appear on the accompanying "Interim 1989-1991 Biennium Combined Schedule of Revenues, Expenditures, and Other Financing Sources (Uses) Budget and Actual - All Governmental Fund Types" ("Governmental Budgetary Schedule") and "Interim 1989-1991 Biennium Combined Schedule of Revenues and Expenses Budget and Actual - All Proprietary Fund Types" ("Proprietary Budgetary Schedule").

Biennial appropriations are made by the Legislature at the fund/account, agency and appropriations level (see detailed explanation for General Budgetary Policies and Procedures in Note 1.D on page 42). No state agency overexpended an appropriation during Fiscal Year 1990 (the first fiscal year of the 1989-1991 Biennium).

Reconciliation of Governmental Budgetary Statement to Governmental Operating Statement

Certain transactions appear on the "Governmental Operating Statement" and not on the "Governmental Budgetary Statement", or conversely, appear on the "Governmental Budgetary Statement" and not on the "Governmental Operating Statement". These transactions are reconciled as detailed below.

Nonbudgeted/Noncash Governmental Activities

Federal surplus food commodities and capital lease acquisitions do not appear on the "Governmental Budgetary Statement" because these noncash transactions are not appropriated or allotted during the budget process. However, the Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses on the accompanying "Governmental Budgetary Statement" does agree with the Combined Statement of Revenues, Expenditures, and Change in Fund Balance - All Governmental Fund Types ("Governmental Operating Statement") because the noncash revenue activity and the offsetting noncash expenditure activity are both excluded from the "Governmental Budgetary Statement." The following schedule details this nonbudgeted activity by governmental fund type (expressed in thousands):

	General	Special Revenue	Total (Memo Only)
Adjustments for Nonbudgeted Activity (Interim 1989-91 Biennium):			
Add noncash commodities received - federal surplus food commodities	$ 14,856	$ -	$ 14,856
Add noncash other financing sources - capital leases	8,602	2,896	11,498
Deduct noncash commodities issued	(14,856)	-	(14,856)
Deduct noncash capital leases (acquisitions)	(8,602)	(2,896)	(11,498)
Net Effect on Budgetary Statement Excess of Revenues and Other Sources Over (Under) Expenditures and ~~Other Uses -~~ Fiscal Year Ended June 30, 1990	$ 0	$ 0	$ 0

Budgeted/Balance Sheet Governmental Activities

Loan principal repayment receipts and loan disbursements are budgeted items and appear on the "Governmental Budgetary Statement". However, they do not appear on the "Governmental Operating Statement" because they represent additions and reductions of loan receivables and appropriately appear on the "Combined Balance Sheet". Therefore, the Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses on the accompanying "Governmental Budgetary Statement" does not agree with the "Governmental Operating Statement".

The following schedule details this budgeted activity by governmental fund type (expressed in thousands):

	General	Special Revenue	Total (Memo Only)
Adjustments for budgeted Activity as of Interim 1989-91 Biennium):			
Add loan principal repayment receipts	$ -	$ 960	$ 960
Deduct loan disbursements	(100)	(1,223)	(1,323)
Net Effect on Budgetary Statement Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses - Fiscal Year Ended June 30, 1990	$ (100)	$ (263)	$ (363)

NOTE 3 - DETAILED NOTES ON ACCOUNT BALANCES

A. Cash and Investments

At fiscal year end, the carrying amount of Washington's cash and investments was $23.5 billion. Total cash and investments as of June 30, 1990 amounted to $23.7 billion, including cash from outstanding checks and warrants. Of this amount, cash on hand amounted to $27 million, cash with fiscal and escrow agents amounted to $1.5 billion, certificates of deposits amounted to $240 million, and deposits with financial institutions amounted to $64 million. The remaining $21.9 billion represented the total carrying amount of investments.

Deposits

At fiscal year end, 99.8 percent of state deposits were insured or held in the state's name in the federal reserve, the remaining 0.2 percent were uninsured. The state's insured deposits are covered by federal depository insurance (FDIC and FSLIC) up to $100,000 and by the Washington Public Deposit Protection Commission (PDPC) for amounts over $100,000. The PDPC (established under Chapter 39.58 of the Revised Code of Washington) constitutes a multiple financial institution collateral pool that provides for additional assessments against members of the pool on a pro rata basis. Accordingly, the deposits covered by PDPC are considered to be insured. Deposits by type, at June 30, 1990, are as follows (expressed in thousands):

	Carrying Amount	Bank Balance	Insured	Uninsured
Demand deposits	$ 25,812	$ 63,955	$ 63,661	$ 294
Certificates of deposit	240,275	240,275	240,275	-
Cash with Fiscal Agents	1,499,143	1,499,143	1,495,110	4,033
Total deposits	$ 1,765,230	$ 1,803,373	$ 1,799,046	$ 4,327

Investments

The State Investment Board and the Office of State Treasurer manage approximately 95 percent of the state's investing activity. Management responsibilities and investment instruments as authorized by statute are as follows:

State Investment Board (SIB)

Statute designates SIB as having investment management responsibility for pension funds, the Workers' Compensation Fund, permanent funds (established at statehood), and other specific funds. The SIB is authorized to invest as provided by statute (RCW 43.33A). Statute and SIB policy authorize investments in the following: Treasury Bills; discount notes; repurchase agreements; reverse repurchase agreements; banker's acceptances; commercial paper; U.S. Government and Agency (government sponsored corporations eligible for collateral purposes at the Federal Reserve) securities; Canadian

Government bonds; corporate bonds; nonrated private placements; common and preferred stock; investment partnerships for venture capital; leveraged buy-outs; mortgages; real estate; financial futures; and other investment situations.

Office of the State Treasurer (OST)

The OST operates the state's Cash Management Account for investing cash in excess of daily requirements. Statute authorizes the OST to buy and sell the following types of investments: U.S. Treasury and agency securities; banker's acceptances; and certificates of deposit with qualified public depositories. Securities underlying repurchase and reverse repurchase agreements are limited to those stated above.

Investment Activity

The state's investments are categorized below per GASB Statement 3 to give an indication of the level of risk assumed at year end. Category 1 includes investments that are insured or registered, or securities which are held by the state or its agent in the state's name. Category 2 includes uninsured and unregistered investments, with securities held by the counterparties' trust departments or agents in the state's name. Category 3 includes uninsured and unregistered investments, with securities which are held by the brokers or dealers, or their trust departments or agents, but not in the state's name. Investments at June 30, 1990, by investment type, are listed below (expressed in thousands):

Investment Type	GASB Categories 1	GASB Categories 2	GASB Categories 3	Total Carrying Amount	Market Value
Bankers' Acceptances	$ 1,616,566	$ -	$ -	$ 1,616,566	$ 1,616,566
Canadian Government Bonds	110,142	-	-	110,142	109,341
Corporate Bonds	1,928,724	-	-	1,928,724	1,934,386
Corporate Stocks	1,556,681	-	-	1,556,681	1,570,873
Investment Contracts	141,490	-	-	141,490	141,490
Leveraged Buy-outs	1,286,424	-	-	1,286,424	1,286,424
Mortgages	1,540,921	-	-	1,540,921	1,553,938
Real Estate	1,291,839	-	-	1,291,839	1,341,850
Repurchase Agreements	567,634	1,900	-	569,534	569,534
Short-Term Securities	658,669	-	-	658,669	669,319
U.S. Govt. Securities	2,986,027	-	3,181	2,989,208	3,004,263
Venture Capital	393,706	-	-	393,706	393,592
Zero Coupon Bonds	186,817	-	-	186,817	186,991
Miscellaneous	196	-	-	196	150
	$ 14,265,836	$ 1,900	$ 3,181	14,270,917	14,378,717
Mutual Funds				3,699,373	3,699,373
Investments on Loan				3,892,771	3,892,771
Total Investments				$ 21,863,061	$ 21,970,861

The SIB has authority to enter into security lending agreements. Securities brokers held investments on loan under the agreement existing at June 30, 1990. The securities were loaned and collateralized by the state's agent at 102 percent by U.S. government securities and cash. The cash was invested by the state's agent in repurchase agreements and commercial paper. The securities held as collateral, and the securities underlying the cash collateral, are held by the state's agent, and are not reflected in the June 30, 1990 investment balances. The securities were loaned with the agreement that they will be returned in the future for exchange of the collateral. Under the securities lending agreement existing at June 30, 1990, up to $12.12 billion of the state's investments may be loaned.

Repurchase agreements are collateralized at 102 percent in government or agency securities of less than ten years maturity. The collateral is priced daily and held by the state's agent in the state's name. Repurchase agreements outstanding as of June 30, 1990 are typical of the level of activity during the year. There were no reverse repurchase agreements outstanding as of June 30, 1990. Reverse repurchase investment activity during Fiscal Year 1990 was immaterial.

B. Taxes Receivable

Taxes Receivable at June 30, 1990 consisted of the following (expressed in thousands):

	General	Special Revenue	Debt Service	Capital Projects	Enterprise	Internal Service	Trust & Agency	Total (Memo Only)
Taxes Receivable:								
Property	$ 378,108	$ -	$ -	$ -	$ -	$ -	$ -	$ 378,108
Sales	548,073	-	-	-	-	-	-	548,073
Business and Occupation	191,513	-	-	-	-	-	-	191,513
Excise	52,012	-	-	-	-	-	-	52,012
Estate	26,726	-	-	-	-	-	-	26,726
Fuel	-	6,690	-	-	-	-	-	6,690
Other	36,249	3,670	-	-	2,655	-	-	42,574
Subtotal	1,232,681	10,360	-	-	2,655	-	-	1,245,696
Less: Allowance for Uncollect. Receivables	53,339	1,570	-	-	-	-	-	54,909
Totals	$ 1,179,342	$ 8,790	$ -	$ -	$ 2,655	$ -	$ -	$ 1,190,787

C. Other Receivables

Other Receivables at June 30, 1990 consisted of the following (expressed in thousands):

	General	Special Revenue	Debt Service	Capital Projects	Enterprise	Internal Service	Trust & Agency	Total (Memo Only)
Accounts Receivable	$ 12,531	$ 36,098	$ -	$ 342	$ 272,326	$ 1,843	$ 40,980	$ 364,120
Interest Receivable	480	2,750	-	-	29,227	24	91,392	123,873
Loans Receivable	1,550	1,329	-	-	1	-	93,924	96,804
Public Assistance Receivables	523,271	-	-	-	-	-	290,815	814,086
Miscellaneous Receivables	76,633	103,924	193	8,734	34,080	340	58,554	282,458
Subtotal	614,465	144,101	193	9,076	335,634	2,207	575,665	1,681,341
Less: Allowance for Uncollect. Receivables	459,359	2,794	-	-	14,437	72	257,936	734,598
Totals	$ 155,106	$ 141,307	$ 193	$ 9,076	$ 321,197	$ 2,135	$ 317,729	$ 946,743

Note: Public Assistance receivables mainly represent amounts owed the state as a part of the Support Enforcement Program at the Department of Social and Health Services. The General Fund accounts for the amounts due from persons required to pay support for individuals currently on state assistance. The Clearing (Agency) Fund accounts for the amounts due from persons required to pay support for persons not on state assistance. Both programs have low realization expectations, and accordingly, are offset by large Allowances for Uncollectible Receivables.

D. Deferred Revenues

Deferred Revenues at June 30, 1990 consisted of the following (expressed in thousands):

	General	Special Revenue	Debt Service	Capital Projects	Enterprise	Internal Service	Trust & Agency	Total (Memo Only)
Property Taxes	$ 363,388	$ -	$ -	$ -	$ -	$ -	$ -	$ 363,388
Excise Taxes	224,663	-	-	-	-	-	-	224,663
Timber Sales	75,846	84,769	-	8,695	-	-	26,886	196,196
Charges for Services	-	39,944	-	-	16,263	6,534	-	62,741
Miscellaneous	95,785	21,650	-	-	-	-	19,371	136,806
Totals	$ 759,682	$ 146,363	$ -	$ 8,695	$ 16,263	$ 6,534	$ 46,257	$ 983,794

E. Due From and To Other Funds

The following balances at June 30, 1990 represent due from/to balances among all funds and state agencies (expressed in thousands):

Fund Type/Fund		Due From		Due To
General Fund		$ 140,993		$ 210,578
Special Revenue:				
Motor Vehicle Fund		23,449		12,058
Transportation Fund		1,823		651
State Wildlife Fund		1,116		381
Common School Construction Fund		5,453		634
Central Administrative and Regulatory Fund		19,353		1,520
Human Services Fund		4,895		2,689
Natural Resources Fund		23,935		5,640
Higher Education Fund		30,378		23,377
		110,402		46,950
Debt Service:				
General Obligation Bond Fund		8,365		14
Transportation Bond Fund		2,442		-
		10,807		14
Capital Projects:				
State Facilities Fund		5,983		22,656
Higher Education Facilities Fund		1,878		13,112
		7,861		35,768
Enterprise:				
Liquor Fund		1,003		7,545
Workers' Compensation Fund		5,311		5,474
Convention and Trade Fund		768		12,000
Lottery Fund		878		7,628
Institutional Fund		1,478		143
State Ferry and Toll Fund		453		2,176
Student Services Fund		3,022		2,937
Other Activities Fund		2,199		55
		15,112		37,958
Internal Service:				
Central Services Fund		3,454		1,257
Central Stores Fund		1,538		445
Equipment Revolving Fund		6,376		560
Data Processing Revolving Fund		15,398		1,738
Printing Services Fund		3,103		16
Motor Transport Fund		1,308		46
State Employees' Insurance Fund		27,063		23,267
Risk Management Fund		3,069		-
Higher Education Revolving Fund		1,185		1,756
Other Services Fund		28		3
		62,522		29,088
Trust and Agency:				
Expendable Trust:				
Human Services Trust Fund	$ 9,091		$ 1,276	
Higher Education Trust Fund	8,148		2,087	
Miscellaneous Trust Fund	1,182		207	
	18,421		3,570	
Nonexpendable Trust:				
Higher Education Endowment Fund	57		6,747	
Common School Permanent Fund	-		1,980	
	57		8,727	
Pension Trust:				
Public Employees' Fund	946		514	
Teachers' Fund	686		63	
L.E.O.F.F Fund	507		178	
State Patrol Fund	32		-	
Judicial Fund	511		-	
Volunteer Fire Fighters' Fund	7		-	
	2,689		755	
Agency:				
Clearing Fund	617		192	
Suspense Fund	2,633		8,242	
Local Government Distributions Fund	141,036		-	
Deferred Compensation Fund	18		498	
Pooled Investments Fund	22,401		153,229	
	166,705	187,872	162,161	175,213
Total Due From and To Other Funds		$ 535,569		$ 535,569

F. General Fixed Assets

The following is a summary of changes in the General Fixed Assets Account Group during Fiscal Year 1990 (expressed in thousands):

	Balance July 30, 1989	Additions	Deletions	Balance June 30, 1990
Land	$ 302,130	$ 97,092	$ 21,463	$ 377,759
Buildings	1,876,417	172,815	7,954	2,041,278
Accumulated Depreciation	(622,915)	43,945	14,732	(652,128)
Net Buildings	1,253,502			1,389,150
Furnishings and Equipment	651,003	138,675	79,613	710,065
Accumulated Depreciation	(365,842)	85,038	22,008	(428,872)
Net Furnishings and Equipment	285,161			281,193
Other Improvements and Miscellaneous	415,293	28,142	18,181	425,254
Accumulated Depreciation	(53,570)	6,874	3,182	(57,262)
Net Other Improvements and Misc.	361,723			367,992
Construction in Progress	173,239	107,776	94,386	186,629
Total	$2,375,755			$2,602,723
Source of Funds by Fund Type:				
General				$ 971,680
Special Revenue				471,734
Capital Projects				1,159,309
Total				$2,602,723

G. Lease Commitments

The state leases land, office facilities, office and computer equipment, and other assets. Although lease terms vary, most leases are subject to appropriation from the state legislature to continue the obligation. If the possibility of receiving no funding from the legislature is remote, leases are considered noncancellable for financial reporting purposes. Leases which represent acquisitions are classified as capital leases and the related assets and liabilities are recorded in the financial records at the inception of the lease. Other leases are classified as operating leases with the lease payments recorded as expenditures or expenses during the life of the lease.

The total operating lease expenditures for Fiscal Years 1989 and 1990 were $126.9 million and $125.4 million, respectively. The total lease expense for Fiscal Year 1990 was $141.6 million. Future minimum lease commitments for noncancellable operating and capital leases as of June 30, 1990, were as follows (expressed in thousands):

		Capital Leases			
Lease Commitments During Fiscal Year:	Operating Leases	Enterprise Funds	Internal Service Funds	General Long-Term Obligations Account Group	Total All Leases
1991	$ 55,940	$ 1,801	$ 2,638	$ 5,959	$ 66,338
1992	50,694	1,604	2,586	6,327	61,211
1993	45,743	1,010	1,333	5,648	53,734
1994	41,065	594	489	4,312	46,460
1995	38,115	404	168	3,893	42,580
Thereafter	36,678	1,494	58	902	39,132
Total Future Minimum Lease Payments	$ 268,235	6,907	7,272	27,041	$ 309,455
Less Amounts Representing Executory and Interest Cost		1,595	888	4,501	
Present Value of Future Minimum Lease Payments		$ 5,312	$ 6,384	$ 22,540	

H. Construction In Progress/Significant Long-Term Construction Commitments Not Recognized in Financial Statements

Various state agencies were involved in construction projects at June 30, 1990. A summary of major projects follows including long-term commitments not recognized in Fiscal Year 1990 financial statements (expressed in thousands):

	FY90 Construction In Progress	Remaining Unencumbered Commitments
Enterprise Funds		
Department of Labor & Industries - Headquarters Construction	$ 2,593	$ 57,242
University of Washington - University Medical Center Renovations	3,024	2,711
The Evergreen State College - Student Housing Construction	3,477	-
State Convention and Trade Center - Space Conversion/Expansion	8,282	18,006
Other Projects	1,160	4,073
Total Enterprise Funds	18,536	82,032
General Fixed Assets Account Group		
Department of General Administration - Natural Resources Building Construction	3,093	69,667
Department of Corrections:		
McNeil Island Correctional Center Improvements	8,147	41,003
Washington State Reformatory Improvements	12,680	3,147
Clallam Bay Correctional Center Expansion	-	25,155
Three Regional Work Camps Construction	-	46,905
Forestry Camps Expansion	-	23,787
Washington State Penitentiary Improvements	5,397	2,992
Other Projects	3,515	31,169
Department of Social and Health Services:		
Western State Hospital Ward Renovations	245	19,095
Other Projects	5,428	7,667
University of Washington:		
Suzallo Library Expansion	30,869	3,157
Print Plant Construction	5,874	485
Washington Technology Center Construction	12,975	2,865
Health Sciences Center Expansion	5,799	-
Other Projects	13,396	11,174
Washington State University:		
Carpenter Hall Renewal	4,389	404
Neill Hall Renewal	6,004	381
Todd Hall New Addition	4,888	180
Holland Library Expansion	1,317	31,776
Other Projects	4,286	6,227
Eastern Washington University - Science Building New Addition	7,716	6,977
Central Washington University - Nicholson Pavilion Construction	3,804	17
The Evergreen State College - Campus Recreation Center Construction	6,370	445
Community College System:		
Pierce College - Puyallup Center Construction	4,852	309
Clark College - Learning Resources Center Construction	3,558	2,318
Spokane College - Learning Resources Center Construction	3,476	1,525
Other Projects	10,933	60,246
Other Agency Miscellaneous Projects	17,618	51,017
Total General Fixed Assets Account Group	186,629	450,090
Total Construction in Progress	$ 205,165	$ 532,122

I. Workers' Compensation Benefits Payable

Current and Long-Term Workers' Compensation Benefits Payable represent the total actuarially determined present value at June 30, 1990 for benefit payments to qualifying individuals sustaining work related injuries or diseases.

The Department of Labor and Industries actuaries and outside actuarial consultants conducted a review at year-end to determine the present value of the benefits payable for all components of the Workers' Compensation Plan. These liabilities are discounted at an assumed interest rate of 6.5 percent. The actuaries used an inflation rate of 4.5 percent for the Supplemental Cost of Living Benefits Plan.

Workers' Compensation Benefits Payable at June 30, 1990 consisted of the following programs (expressed in thousands):

	Time-Loss	Medical Aid	Disability	Supplemental*	Total
Current Benefits Payable	$ 254,000	$ 187,000	$ 70,000	$ 119,000	$ 630,000
Long-Term Benefits Payable	1,501,141	1,034,892	666,755	3,206,000	6,408,788
Totals	$ 1,755,141	$ 1,221,892	$ 736,755	$ 3,325,000	$ 7,038,788

* Supplemental Cost of Living Benefits are liabilities of the Workers' Compensation Program. Based upon an assumption of continuation of the current program, the noncurrent portion of this liability, amounting to $3.2 billion, is recognized in the General Long-Term Obligations Account Group. The present value of anticipated payments for the liability follows (expressed in thousands):

	Current	Noncurrent	Total
Fiscal Year 1991	$ 119,000	$ -	$ 119,000
Fiscal Year 1992	-	121,000	121,000
Fiscal Year 1993	-	120,000	120,000
Fiscal Year 1994	-	119,000	119,000
Fiscal Year 1995	-	118,000	118,000
Thereafter	-	2,728,000	2,728,000
Totals	$ 119,000	$ 3,206,000	$ 3,325,000

J. Bonds Payable

Bonds payable at June 30, 1990 consisted of bonds issued by the state of Washington, accounted for in the General Long-Term Obligations Account Group, and certain state agency bonds accounted for in proprietary funds. A detailed schedule of bonds issued and outstanding and those proprietary bonds accounted for by the State Treasurer are presented in the Washington State Treasurer's Annual Report for 1990. A copy of the report is available from the Office of State Treasurer, Legislative Building, Mail Stop: AS-23, Olympia, Washington 98504-0423.

The State Constitution and enabling statutes authorize the incurrence of state general obligation debt, to which the state's full faith, credit and taxing power are pledged, either by the legislature or by a body designated by statute (presently the State Finance Committee). Legislative authorization arises from an affirmative vote of 60 percent of both legislative houses without voter consent; or from an affirmative vote of more than 50 percent of both legislative houses and a majority of the voters voting thereon. State Finance Committee debt authorization does not require voter approval, however, it is limited to providing for: (1) temporary deficiencies in the State Treasury (must be discharged within 12 months of the date of incurrence); or (2) appropriations already made by the legislature; or (3) refunding of outstanding obligations of the state.

Debt authorized in the preceding procedures are generally limited by the State Constitution and current statutes. The limitations prohibit the issuance of new debt if it would cause the maximum annual debt service on all thereafter outstanding general obligation debt to exceed a specified percentage of the arithmetic mean of general state revenues for the preceding three fiscal years. These limitations are on the incurrence of new debt, not on the amount of debt service which may be paid by the state in future years.

As certified by the State Treasurer, the maximum debt authorization subject to limitation for Fiscal Year 1990 was $2.9 billion, under the then current constitutional and statutory limitation. This computation excludes specific bond issues and types which are not secured by general state revenues. Based on the debt limitation calculation, the debt service requirements as of June 30, 1990, did not exceed the authorized debt service limitation.

State refunded and defeased bond debt totaled $1.4 billion for general governmental bonded debt and $172.9 million for proprietary bonded debt. These refunded and defeased bonds are secured by U.S. Government securities in escrow with the respective banks appointed as bond trustees. Therefore, these bonds are excluded from state debt totals. A schedule of bonds payable by fund type follows (expressed in thousands):

	Enterprise	General Long-Term Obligations Account Group	Total
Matured Bonds Payable	$ 11,628	$ -	$ 11,628
Bonds Payable	302,514	3,363,251	3,665,765
Totals	$ 314,142	$ 3,363,251	$ 3,677,393
General Obligation (GO) Bonds	$ 190,225	$ 3,141,760	$ 3,331,985
GO - Zero Interest Rate Bonds (Principal)	-	70,001	70,001
GO - Zero Interest Rate Bonds (Accreted Interest)	-	4,985	4,985
Limited Obligation Bonds	-	146,505	146,505
Revenue Bonds	123,917	-	123,917
Totals	$ 314,142	$ 3,363,251	$ 3,677,393

General Obligation Bonds:

General obligation bonds have been authorized and issued primarily to provide funds for acquisition and construction of capital facilities for public and common schools, higher education, public and mental health, corrections, and conservation, maintenance, and construction of highways, roads, and bridges. The state has also issued bonds for assistance to municipalities for construction of water and sewage treatment facilities and corrections facilities. In addition, bonds are authorized and issued to provide for the advance refunding of general obligation bonds outstanding.

Total debt service requirements for general obligation bonds to maturity as of June 30, 1990 are as follows (expressed in thousands):

General Long-Term Obligation Bonds:

	Principal	Interest	Total
By Fiscal Year:			
1991	$ 140,480	$ 237,396	$ 377,876
1992	145,905	226,694	372,599
1993	152,650	215,905	368,555
1994	163,605	204,549	368,154
1995	172,135	192,664	364,799
1996 - 2000	992,395	766,864	1,759,259
2001 - 2005	869,725	416,456	1,286,181
2006 - 2010	630,935	138,594	769,529
Thereafter	64,155	10,609	74,764
Total Debt Service Requirements	$ 3,331,985	$ 2,409,731	$ 5,741,716

General obligation bonds outstanding and bonds authorized but unissued at June 30, 1990 are as follows (expressed in thousands):

Purpose	Interest Rates	Outstanding Amount	Authorized but Unissued
School Building Construction	4.10% to 9.18%	$ 8,595	$ -
Higher Education	5.10% to 15.00%	410,385	83,510
Institutional and Public Buildings	4.83% to 9.18%	118,505	-
Highways	6.50% to 13.34%	744,445	235,000
Administrative Buildings	5.17% to 13.35%	32,495	140,430
Convention and Trade	7.00% to 8.90%	131,565	10,544
General	4.85% to 13.35%	1,885,995	828,786
Totals		$ 3,331,985	$ 1,298,270

Zero Interest Rate General Obligation Bonds:

Zero interest rate general obligation bonds have been authorized and issued primarily to provide funds for acquisition and construction of capital facilities for public and common schools and higher education.

The following debt service requirements for zero interest rate general obligation bonds to maturity as of June 30, 1990 represent a flow of financial resources consistent with general obligation issues (however, the Changes in General Long-Term Obligations as shown in Note 3.K does recognize the current economic yearly accretion of interest):

Zero Interest Rate General Obligation Bonds
(expressed in thousands):

	Principal	Interest	Total
By Fiscal Year:			
1991	$ -	$ -	$ -
1992	-	-	-
1993	-	-	-
1994	-	-	-
1995	-	-	-
1996 - 2000	25,789	19,711	45,500
2001 - 2005	25,334	37,566	62,900
2006 - 2010	15,167	39,333	54,500
Thereafter	3,711	13,389	17,100
Total Debt Service Requirements	$ 70,001	$ 109,999	$ 180,000

Zero interest rate general obligation bonds outstanding and bonds authorized but unissued at June 30, 1990 are as follows (expressed in thousands):

Purpose	Interest Rates	Outstanding Amount	Authorized but Unissued
School Building Construction	6.50% to 7.75%	$ 70,001	$ -

Limited Obligation Bonds:

Limited obligation bonds have been authorized and issued to provide funds for public school plant facilities, state, county and city arterials, and state capital buildings and facilities. These bonds are payable primarily from dedicated revenue of the state's motor vehicle fuel excise tax and other miscellaneous dedicated revenue such as harbors and tidelands, parking, and land grants.

Total debt service requirements for limited obligation bonds to maturity at June 30, 1990 are as follows (expressed in thousands):

Limited Obligation Bonds:

	Principal	Interest	Total
By Fiscal Year:			
1991	$ 19,620	$ 8,115	$ 27,735
1992	20,745	6,999	27,744
1993	21,930	5,826	27,756
1994	19,105	4,669	23,774
1995	17,105	3,528	20,633
1996 - 2000	45,850	6,287	52,137
2001 - 2005	2,150	115	2,265
2006 - 2010	-	-	-
Thereafter	-	-	-
Total Debt Service Requirements	$ 146,505	$ 35,539	$ 182,044

Limited obligation bonds outstanding and bonds authorized but unissued at June 30, 1990 are as follows (expressed in thousands):

Purpose	Interest Rates	Outstanding Amount	Authorized but Unissued
School Building Construction	4.10% to 9.18%	$ 25,970	$ -
Highways	6.50% to 13.34%	109,415	25,000
Administrative Buildings	5.17% to 13.35%	11,120	-
Totals		$ 146,505	$ 25,000

Revenue Bonds:

Current state statutes empower certain state agencies to issue bonds that are not supported, or are not intended to be supported, by the full faith and credit of the state. These bonds pledge income derived from acquired or constructed assets for retirement of the debt and payment of the related interest.

Revenue bonds issued by individual agencies are supported by fees, rentals, and tolls assessed to users. Issuing agencies include the University of Washington (Housing, Dining, Parking, Student Facilities, and Hospital Construction), Washington State University (Housing, Dining, Parking, and Student Facilities Construction), the Evergreen State College (Housing), Eastern Washington University (Dining and Student Facility Construction), Central Washington University (Housing), Western Washington University (Housing and Dining), various Community Colleges (Housing and Dining), and the Washington State Department of Transportation (Ferry Systems and Toll Bridges).

Total debt service requirements for revenue bonds to maturity at June 30, 1990 are as follows (expressed in thousands):

Revenue Bonds:

	Principal	Interest	Total
By Fiscal Year:			
1991	$ 7,048	$ 6,079	$ 13,127
1992	7,256	5,745	13,001
1993	7,651	5,392	13,043
1994	8,126	5,008	13,134
1995	8,155	4,612	12,767
1996 - 2000	44,011	16,525	60,536
2001 - 2005	29,788	6,188	35,976
2006 - 2010	10,374	987	11,361
Thereafter	1,508	232	1,740
Total Debt Service Requirements	$ 123,917	$ 50,768	$ 174,685

Revenue bonds outstanding and bonds authorized but unissued at June 30, 1990 are as follows (expressed in thousands):

Purpose	Interest Rates	Outstanding Amount	Authorized but Unissued
Higher Education - Student Activities	2.75% to 8.00%	$ 107,377	$ -
Ferries and Toll Bridges	3.60% to 3.70%	16,540	-
Totals		$ 123,917	$ -

Refunding Bonds:

When advantageous and permitted by statute or bond covenants, the State Finance Committee authorizes the advance refunding of outstanding bonds. As of June 30, 1990 the state issued the following bonds to advance refund various outstanding issues:

General Long-Term Debt Refunding

On August 1, 1989, the state issued $127.1 million in General Obligation Bonds (Series R-90A and R-90B) to advance refund $90.4 million of General Obligation Bonds (Series AJ-AA, AM-6, AZ-2, BE-4, BF-3, BH-3, BI-2, BK-2, BL-1, and R) and $20.2 million of Motor Vehicle Fuel Tax General Obligation Bonds (Series CC-6 and DD-9) accounted for in the General Long-Term Obligations Account Group. The net proceeds were used to purchase U.S. government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the bonds. As a result the bonds are considered to be defeased and the liability for those bonds has been removed from the General Long-Term Obligations Account Group. The refunding was undertaken to achieve a debt service savings of $8.5 million and to obtain an economic gain of $4.7 million over 18 years.

Proprietary Fund Refunding

On August 1, 1989, the state issued $5.7 million in General Obligation Bonds (Series R-90A) to advance refund $4.8 million of General Obligation Bonds (Series AT-3) accounted for in the State Convention and Trade Center Account. The net proceeds were used to purchase U.S. government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the bonds. As a result the bonds are considered to be defeased and the liability for those bonds has been removed from the State Convention and Trade Center Account. Although the advance refunding resulted in the recognition of an accounting loss of $.93 million for the Fiscal Year ended June 30, 1990, the state in effect reduced its aggregate debt service payments by $361,000 and obtained an economic gain of $201,000 over 23 years.

K. Changes in General Long-Term Obligations

Changes in the General Long-Term Obligations Account Group for Fiscal Year 1990 are summarized as follows (expressed in thousands):

	Bonds Payable	Workers' Compensation Benefits Payable	Accrued Retirement Costs	Installments & Leases Payable	Other Long-Term Obligations	Total General Long-Term Obligations
Balances at July 1, 1989	$ 3,314,902	$ 2,847,331	$ 786,400	$ 24,925	$ 111,563	$ 7,085,121
General obligation debt issues	120,000	-	-	-	-	120,000
General obligation refunding debt issues	129,540	-	-	-	-	129,540
General obligation zero interest rate debt issues	51,114	-	-	-	-	51,114
Accretion of long-term interest liability on zero interest rate bonds	4,985	-	-	-	-	4,985
Actuarial increase in workers' compensation liability	-	358,669	-	-	-	358,669
Decrease in installment contract obligations	-	-	-	(3,197)	-	(3,197)
Increase in lease obligations	-	-	-	3,891	-	3,891
Increase in compensated absences earned	-	-	-	-	12,456	12,456
Excess of actuarially determined accrued retirement obligations over amounts recorded as expenditures in governmental fund types	-	-	15,300	-	-	15,300
Increase in other long-term obligations	-	-	-	-	18,423	18,423
General and limited obligation retirement of principal	(146,645)	-	-	-	-	(146,645)
Retirement of refunded general obligation debt issues	(110,645)	-	-	-	-	(110,645)
Balances at June 30, 1990	$ 3,363,251	$ 3,206,000	$ 801,700	$ 25,619	$ 142,442	$ 7,539,012

L. Fund Equity - Other Specific Reserves

Certain fund equity reserves presented in the accompanying financial statements as of June 30, 1990 as Reserved for Other Specific Purposes are further detailed as follows (expressed in thousands):

	General	Special Revenue	Debt Service	Capital Projects	Enterprise	Internal Service	Trust	Total (Memo Only)
Petty Cash	$ 424	$ 1,145	$ -	$ -	$ -	$ -	$ 37	$ 1,606
Long-Term Investments	855	5,164	-	108	-	-	30,004	36,131
Long-Term Receivables	76,400	6,629	-	25	-	-	79,305	162,359
Totals	$ 77,679	$ 12,938	$ -	$ 133	$ -	$ -	$ 109,346	$ 200,096

M. Residual Equity Transfers

The table below reflects residual equity transfers in and out and related activity which occurred during the Fiscal Year ended June 30, 1990 (expressed in thousands):

	Transfers In	Transfers Out
General Fund	$ 130	$ 8
Human Services Fund	-	44
Higher Education Fund	210	-
General Obligation Bond Fund	-	79
Student Services Fund	-	126
Central Services Fund	14	-
Data Processing Revolving Fund	-	3,712
Higher Education Revolving Fund	3,739	-
Higher Education Trust Fund	-	10
Higher Education Endowment Fund	-	101
Public Employees Retirement Fund	260	-
Judicial Retirement Fund	-	260
Volunteer Firefighters' Retirement Fund	4	-
Total Residual Equity Transfers	4,357	4,340
Net Transfers out of General Fixed Asset Account Group	-	13
Transfers in to General Long-Term Obligation Account Group	-	4
Total Residual Equity Transfers and Related Activity	$ 4,357	$ 4,357

NOTE 4 - FUND EQUITY RESTATEMENT

Fund Equity at June 30, 1989 has been restated as follows (expressed in thousands):

	General	Special Revenue	Debt Service	Capital Projects	Enterprise	Internal Service	Trust	Total (Memo Only)
Fund Equity at June 30, 1989 as Previously Reported	$ 738,586	$ 747,038	$ 87,992	$ 24,344	$ 950,035	$ 225,890	$14,300,976	$17,074,861
Reclassifications	146	(146)	-	-	456	4,833	(5,289)	-
Accounting Policy Change	380,029	-	-	-	-	-	-	380,029
Fund Equity as Restated, July 1	$ 1,118,761	$ 746,892	$ 87,992	$ 24,344	$ 950,491	$ 230,723	$14,295,687	$17,454,890

The restatements are explained as follows:

Reclassifications:

Accounting and reporting treatment applied to an account is determined by its measurement focus. Accounts have been reclassified to reflect their proper measurement focus as follows (expressed in thousands):

Account Titles	Fund Type Reclassified From	Amount	Fund Type Reclassified To	Amount
Firearms Range Account	Special Revenue	$ (146)	General	$ 146
Tort Claims Revolving Account	Expendable Trust	(5,289)	Internal Service	5,289
Secretary of State's Revolving Account	Internal Service	(456)	Enterprise	456

Accounting Policy Changes:

Items Affecting Fund Equity - Gross Receipts Tax Policy

Sales and business/occupation (B&O) taxes for fiscal years prior to 1990 were recognized as revenue on a modified cash basis. During Fiscal Year 1990, the state changed its policy on accounting for these taxes to a modified accrual basis. The sales and B&O taxes are now recognized as revenue if received within 31 days of year-end. This method of accounting for these taxes is a more preferable method in that it meets the measurable and available criteria. In addition, it allows for a better matching of current available resources and current liabilities. The effect of the accounting change on the Fund Equity at June 30, 1989 as previously reported is $380.0 million.

The effect of the accounting change on the Excess of Revenues and Other Sources over Expenditures and Other Uses as previously reported for June 30, 1989 is (expressed in thousands):

	General Fund
Excess of Revenues and Other Sources over Expenditures and Other Uses as previously reported June 30, 1989	$ 222,039
Adjustment for effect of change in accounting principles assuming the change is applied retroactively	88,689
Adjusted Excess of Revenues and Other Sources over Expenditures and Other Uses	$ 310,728

Items Not Affecting Fund Equity - Investment Policy

Pension Trust funds for fiscal years prior to 1990 recognized investment gains and losses only when an actual sale or exchange of the security occurred. Market value investment adjustments were recognized each year with the net change recognized as deferred income under the caption "Unrealized Gains or Losses on Investments." For Fiscal Year 1990, pension funds changed this accounting policy to recognize the market value changes directly as gains or losses. The change did not affect the fund equity balance as previously reported, however it does change the amount reported as "Unrealized Gains or Losses on Investments" to fund equity. With this change, Fiscal Year 1989 income as previously reported is understated by $574.4 million. The cumulative prior year income deferral change to fund equity with this policy change amounts to $1,949.2 million and increases income in 1990 by $373.6 million.

In addition, the Worker's Compensation Fund previously reported fixed income securities' market value gains or losses as "Unrealized Gain or Losses on Investments." For Fiscal Year 1990, the Worker's Compensation Fund changed this accounting policy to reporting fixed income securities at amortized cost. This change did not affect fund equity as previously reported because the fund sold the affected securities and purchased new securities during regular fiscal year 1990 activity.

NOTE 5 - SEGMENT INFORMATION - ENTERPRISE FUNDS

The state of Washington operates enterprise funds which are intended to be self-supported through fees charged to the public. These funds are broken down into individual accounts for administrative purposes. Enterprise fund activities operated by the state include the following:

	Primary Source of Revenue or Purpose
Liquor Fund	Sales of liquor, and licenses and permits to sell liquor.
Workers' Compensation Fund	Employer contributions for workers' compensation for employment related accidents and disabilities.
Convention and Trade Fund	To attract national and regional conventions to Washington State.
Lottery Fund	Washington State Lottery revenues and operations.
State Ferry and Toll Fund	Tolls and fares related to various bridge and ferry operations.
Student Services Fund	Sales and fees related to housing, food service, bookstores, and other enterprises managed by state colleges and universities.
All Other Enterprise Funds	Services and fees charged by the various departments including: Department of Social and Health Services and the Department of Corrections.

The table below reflects in a summarized format the significant enterprise fund activities which have occurred during the Fiscal Year ended June 30, 1990. Interfund transactions have not been eliminated for purposes of this analysis (expressed in thousands):

	Liquor Fund	Workers' Compensation Fund	Convention and Trade Fund	Lottery Fund	State Ferry and Toll Fund	Student Services Fund	All Other Enterprise Funds	Total Enterprise Funds
Operating Revenues	$ 101,501	$ 721,445	$ 14,440	$ 246,350	$ 63,246	$ 331,028	$ 23,858	$ 1,501,868
Depreciation and Amortization	1,009	2,408	3,547	400	11,881	15,649	751	35,645
Operating Income (Loss)	54,257	(229,773)	2,314	94,182	(30,555)	20,983	11,127	(77,465)
Operating Interfund Transfers (Net)	(32,330)	9,297	-	(93,271)	20,200	(643)	997	(95,750)
Tax Revenue	22,551	-	11,609	-	-	-	-	34,160
Net Income (Loss)	(1,804)	99,245	(9,439)	1,727	(9,128)	18,982	11,684	111,267
Current Capital Contribution	-	-	-	-	79,985	1	-	79,986
Return of Contributed Capital	-	-	-	-	-	-	(5)	(5)
Net Working Capital	21,599	(296,172)	(22,920)	(14,307)	6,708	95,268	18,529	(191,295)
Change in Fixed Assets	(277)	5,549	3,992	138	16,584	314	2,195	28,495
Total Assets	50,038	4,096,466	181,153	205,299	417,633	539,554	31,535	5,521,678
Bonds and Other Long-Term Liabilities Payable from Operating Revenues	-	-	129,548	167,619	15,340	166,684	303	479,494
Other Long-Term Liabilities Payable from Other Sources	-	3,202,788	-	-	-	-	-	3,202,788
Total Equity	25,668	306,451	30,753	4,663	387,984	309,744	24,338	1,089,601

NOTE 6 - RETIREMENT SYSTEMS

A. General Description of the Retirement Systems

The state of Washington, through the Department of Retirement Systems, administers five retirement systems: Public Employees' Retirement System (PERS), Teachers' Retirement System (TRS), Law Enforcement Officers' and Fire Fighters' Retirement System (LEOFF), Washington State Patrol Retirement System (WSP), and the Judicial Retirement System (JRS). The State of Washington Board for Volunteer Fire Fighters' administers the Volunteer Fire Fighters' Relief and Pension Fund (VFFRPF). In addition, state universities and colleges participate in Teachers' Insurance and Annuity Association/College Retirement Equity Fund (TIAA/CREF) and the Higher Education Supplement (HES). TIAA/CREF is privately operated and HES is administered by the individual higher education institutions. Information pertinent to each system is stated below.

PERS, TRS, and LEOFF are cost-sharing multiple-employer defined benefit retirement systems; these retirement systems contain two plans. Participants who joined the systems by September 30, 1977 are Plan I members. Those joining thereafter are enrolled in Plan II. JRS, VFFRPF, and HES are also cost-sharing multiple-employer defined benefit systems. The WSP is a single-employer defined benefit retirement system. TIAA/CREF is a multiple-employer defined contribution system. Pension benefit provisions for all systems have been established by statute. Vesting information for the retirement systems is disclosed on an individual basis (Note 6, Item E - System Details).

The employers' actual current-year covered payroll for the fiscal year ended June 30, 1990 is noted below (expressed in millions):

	PERS	TRS	LEOFF	WSP	JRS	VFFRPF	TOTAL
Washington State	$ 1,713	$ 11	$ 0	$ 33	$ 5	$ 0	$ 1,762
Other Employers	1,788	1,702	399	0	3	N/A	3,892
All Employers	$ 3,501	$ 1,713	$ 399	$ 33	$ 8	$ 0	$ 5,654

TIAA/CREF and HES current-year covered payroll was $376 million. Payroll information is not applicable for VFFRPF since this is a volunteer organization. In VFFRPF pension benefits are based on years of service, not salary. Total current-year payroll for Washington State employees was $2.4 billion.

PERS, TRS, LEOFF, WSP, JRS, VFFRPF, and TIAA/CREF retirement benefits are financed from a combination of investment earnings and employee, employer, and state contributions. LEOFF benefits are also financed through legislative appropriations. HES and JRS are financed on a pay-as-you-go basis. Employee contributions to PERS, TRS, LEOFF, and WSP accrue interest at a rate specified by the Department of Retirement Systems (DRS). During Fiscal Year 1990, the DRS-established rate on employee contributions was 5.5 percent. Employees in PERS, TRS, LEOFF, and WSP can elect to withdraw total employee contributions and interest earnings thereon upon termination. JRS employees earn no interest on contributions and may not elect to withdraw their contributions upon termination. VFFRPF employees earn no interest on contributions and may elect to withdraw their contributions upon termination.

The Aggregate Cost Method is used in PERS II, TRS II, and LEOFF II to establish a contribution rate which is a level percent of pay. The Entry Age Cost Method is used in PERS I, TRS I, LEOFF I, WSP, JRS, and VFFRPF. The Normal Cost for Plans I is determined by the rate developed in the respective Plan II. For PERS I, TRS I, LEOFF I, and WSP the Unfunded Actuarial Accrued Liability (U.A.A.L.) is amortized as a level percentage of all salaries (Plans I and II) over periods ending in 2024. The JRS U.A.A.L. is amortized over 20 years, ending in 2008; VFFRPF U.A.A.L. is amortized over 29 years, ending in 2017. Plan II's have no U.A.A.L.

B. Funding Status And Progress

The total pension benefit obligation is stated below on an individual basis. These totals are based on a standardized disclosure measure as required by GASB Statement 5. This standardized measure is the actuarial present value of credited projected benefits, adjusted for the effects of projected salary increases and any step-rate benefits (LEOFF only) estimated to be payable in the future as a result of employee service to date. Use of the standardized measure enables readers of Washington's financial statements to: (a) assess on an ongoing basis the funding status of each system, (b) assess progress made in accumulating sufficient assets to pay benefits when due, and (c) make comparisons with other states or retirement systems. The standardized disclosure method is independent of the actuarial funding method used to determine contributions to the retirement systems. The assumptions used to determine the contribution rates are the same as those used in determining the pension benefit obligation.

Historical Trend Information for six of the state administered systems is found in the Required Supplementary Section of this report. This will provide information about the progress made by Washington State in accumulating sufficient assets to pay benefits when due.

The Office of the State Actuary, using methods prescribed by statute, determines actuarially required contribution rates for the various systems. The rates actually levied are determined by the Legislature which is not obligated to follow the actuarially determined rates. Often the actual rates have been less than those actuarially required. However, beginning in 1989 the legislature set employer and state contribution rates for six year intervals for PERS, TRS, LEOFF, and WSP. Plan II employee rates may be set more frequently. The rates are sufficient to fully fund these systems by 2024. This funding method is being phased in over two years and the actual employer contribution rates for the 1989-1991 Biennium are below the required amount. The amounts levied for all systems are recorded in the General Long-Term Obligations Account Group and displayed in the Changes in General Long-Term Obligations (see Note 3.K, page 59). The aggregate amount for all retirement systems was $15.3 million as of June 30, 1990.

C. Summary of Selected Actuarial Data

The following summary of selected actuarial data, compiled in accordance with GASB Statement 5, was prepared by the Office of the State Actuary using the latest actuarial data:

	PERS	TRS	LEOFF	WSP	JRS	VFFRPF	Total (Memo Only)
NUMBER OF PARTICIPANTS:							
Active Members:							
Vested	59,337	37,024	7,856	573	70	4,299	109,159
Nonvested	79,845	12,165	2,936	293	35	7,059	102,333
Total Active Members	139,182	49,189	10,792	866	105	11,358	211,492
Inactive Vested Members	5,389	3,487	140	57	0	1,532	10,605
Retired Members	46,755	21,786	5,171	312	89	1,495	75,608
Total Participants	191,326	74,462	16,103	1,235	194	14,385	297,705
Latest Actuarial Valuation Date	12-31-89	6-30-89	12-31-89	6-30-89	12-31-89	12-31-89	
Actuarial Update		6-30-90		6-30-90			
PENSION BENEFIT OBLIGATION (dollars expressed in millions):							
Retirees and beneficiaries currently receiving benefits and terminated employees not yet receiving benefits	$ 2,875	$ 2,131	$ 1,846	$ 76	$ 34	$ 20	$ 6,982
Current Employees:							
Accumulated employee contributions including allocated investment income	1,737	1,331	268	27	7	2	3,372
Employer-financed vested benefits	2,427	2,692	1,164	101	26	16	6,426
Employer-financed nonvested benefits	220	210	40	1	0	0	471
Total Pension Benefit Obligation	7,259	6,364	3,318	205	67	38	17,251
Less Net Assets Available for benefits as of Actuarial Date (at Market)	6,222	4,298	2,484	227	0	44	13,275
Unfunded Pension Benefit Obligation	$ 1,037	$ 2,066	$ 834	$ (22)	$ 67	$ (6)	$ 3,976

The measurement of the total pension benefit obligation for PERS, LEOFF, JRS, and VFFRPF is based on the date of the actuarial valuation as noted in the table above. Net assets available to pay pension benefits were valued as of the same date. The measurement of the total pension benefit obligation for TRS and WSP is based on a June 30, 1989, actuarial valuation which was updated to June 30, 1990. Net assets available to pay pension benefits were projected to the same date.

D. Significant Actuarial Assumptions & Benefit Provisions

A summary of significant actuarial assumptions and benefit provisions used to determine the standardized measure of the pension benefit obligation for PERS, TRS, LEOFF, WSP, and JRS is listed below:

- The discount rate used to determine the present value of the pension benefit obligation is 7.5 percent.
- A 5.5 percent projected salary increase due to inflation.
- Projected salary increases due to merit or seniority are based on length of service, with new employees getting increases after one year of service.

  PERS - 5.7 percent for the first year grading to zero with fifteen years of service.
  TRS - level 3.7 percent for fourteen years, then zero.
  LEOFF - 8.1 percent grading to zero with nine years of service.
  WSP - 6.0 percent grading to zero after six years of service.

- For WSP, a COLA which is 2.0 percent of the original benefit amount.
- Normal costs for the systems are as follows:

  PERS I - 10.33 percent of pay
  TRS I - 12.12 percent of pay
  LEOFF I - 14.78 percent of pay
  WSP - 23.64 percent of pay
  PERS II - 8.67 percent of pay
  TRS II - 12.24 percent of pay
  LEOFF II - 13.90 percent of pay
  JRS - 21.19 percent of pay

- Employee contributions are fixed at 6.0 percent of current-year covered payroll in PERS I, LEOFF I, and TRS I, and 7.0 percent in WSP. Employers contribute 6.0 percent of current-year covered payroll in LEOFF I and the state pays the remaining share. All retirement system Plan II members pay 50 percent of the normal costs, with the state or employer paying the balance. For LEOFF II, the state pays 20 percent and the employer pays 30 percent.
- The aggregate cost method incorporates all costs into one rate. There is no separate U.A.A.L. rate for Plan II's. The U.A.A.L. of Plan I's are amortized over future salaries of both Plan I and Plan II members.

During Fiscal Year 1990, there was a change of assumptions as well as methods. The change of demographic assumptions did not have as large an impact on contribution rates as did the economic. The economic assumptions are listed below:

	ECONOMIC ASSUMPTIONS	
	Old Assumptions	New Assumptions
Investment Return	7.00 %	7.50 %
Salary Increases	5.25 %	5.50 %
Consumer Price Index	4.00 %	5.00 %

The effect of these changes is displayed below:

	CONTRIBUTION RATES	
	Old Methods & Assumptions	New Methods & Assumptions
PERS I	8.55 %	7.00 %
PERS II	7.24 %	7.00 %
TRS I	17.59 %	12.40 %
TRS II	13.43 %	12.40 %
LEOFF I	43.32 %	14.10 %
LEOFF II	14.84 %	14.10 %
WSP	18.97 %	16.70 %

E. System Details

PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS)

System Information

The legislature established PERS in 1947. Membership in the system includes: elected officials; state employees; employees of the Supreme, Appeals, and Superior Courts; employees of legislative committees; community college, college and university employees not in national higher education retirement programs such as TIAA/CREF; judges of district and municipal courts; noncertificated employees of school districts; and employees of local government. Approximately 50 percent of PERS members are state employees. Retirement benefits are vested after an employee completes five years of eligible service.

Plan I members are eligible for retirement after 30 years of service, or at the age of 60 with 5 years service, or at the age of 55 with 25 years of service. The annual pension is 2 percent of the average final compensation per year of membership service (average final compensation is based on the greatest compensation during any 24 consecutive compensation months), capped at 60 percent.

Plan II members may retire at the age of 65 with 5 years of service, or at age 55 with 20 years of service, with an allowance of 2 percent per year of service of the average final salary (average final compensation is based on the greatest compensation during any consecutive 60 month period). Plan II retirements prior to age 65 are actuarially reduced. There is no cap on years of service credit and a cost-of-living allowance is granted (indexed to the Seattle Consumer Price Index), capped at 3 percent annually.

Plan I provides duty and non-duty disability benefits. Duty disability retirement benefits for disablement prior to age 60 consist of a temporary life annuity payable to age 60. The amount of the allowance is two-thirds of the average final compensation, not to exceed $4,200 a year. The benefit is reduced by any worker's compensation benefit and is payable as long as member remains disabled or attains the age of 60. A member with five years of membership service is eligible for non-duty disability retirement. Prior to the age of 55, the allowance amount is 2 percent of the average final compensation for each year of service reduced by 2 percent for each year by which the date of disablement precedes the disabled member's fifty-fifth birthday. The total benefit is limited to 60 percent of the average final compensation.

During the fiscal year a change in benefit provisions became effective. The minimum benefit per month per year of service for Plan I members was increased to $15.26; it had been scheduled to be $14.23. Additionally, an increase of up to 3% was granted to members who have lost 40 percent of their purchasing power since age 65. The total cost of these two provisions was .29 percent of salary.

Contributions Required and Contributions Made

Each biennium the legislature establishes Plan I employer contribution rates and Plan II employer and employee contribution rates. Employee contribution rates for Plan I are established by statute at 6.00 percent. The employer and employee contribution rates for Plan II are developed by the Office of the State Actuary to fully fund PERS II. All employers are required to contribute at the level established by the legislature. The methods used to determine the contribution requirements are established under state statute as per RCW 41.40.

The state's actuarially determined (12-31-89) contribution as a percentage of employers' current-year covered payroll for the Fiscal Year ended June 30, 1990, was 7.00 percent for Plan I of which 4.33 percent represents normal costs and 2.67 percent represents the U.A.A.L. For Plan II, the rate was 7.00 percent, 4.33 percent represents normal costs and 2.67 percent represents the U.A.A.L. for Plan I. Total PERS actuarially determined contributions were $420.1 million; $245.1 million were required from the employer and $175.0 million from the employee. Total actual contributions were $401.7 million; $219.4 million were paid by the employer and $182.3 million by the employee.

The state's liabilities constitute 49 percent of all PERS liabilities, therefore the state's figures are as follows: required total contributions were $206.0 million, which required the state to pay $119.9 million, or 49 percent of total employer liability, and employees $86.1 million. Actual total contributions were $196.8 million, of which the state contributed $107.2 million and employees $89.6 million. Actual contribution rates (expressed as a percentage of the employers' current-year covered payroll) for Fiscal Year 1990, were as follows:

	PLAN I	PLAN II
Employer Contributions:		
State Agencies	6.28%	6.28%
Local Governmental Units	6.28%	6.28%
State Government Elective Officials	9.42%	6.28%
Employee Contributions:		
State Agencies	6.00%	4.70%
Local Governmental Units	6.00%	4.70%
State Government Elective Officials	7.50%	4.70%

TEACHERS' RETIREMENT SYSTEM (TRS)

System Information

The TRS was legislatively established in 1938. Eligibility for membership requires service as a certificated employee in grades K-12 in the public schools. TRS is comprised principally of nonstate employees. Retirement benefits are vested after an employee completes five years of eligible service.

Teachers in Plan I are eligible to retire either after 30 years of service, or at the age of 60 with 5 years of service, or at age 55 with 25 years of service. The benefit is 2 percent of the average earnable compensation per year of service (average earnable compensation is based on the greatest compensation during any consecutive two final compensation contract years).

The normal retirement age for Plan II employees is 65. However, members are eligible to retire at the age of 65 with five years of service, or at age 55 with twenty years of service. Plan II benefits are 2 percent of the final average salary per year of service with a cost-of-living allowance indexed to the Seattle Consumer Price Index and capped at 3 percent annually (average final compensation is based on the greatest compensation during any consecutive 60 month period). Plan II retirements prior to age 65 are actuarially reduced.

Death and disability benefits are available in Plan I. TRS I members receive the following additional lump sum death benefits: Retired member - $400.00 (if at least 10 years of membership service), Active members - $600.00. Members on temporary disability receive a temporary life annuity of $180 per month payable up to two years. After five years of service, members on a disability retirement receive an allowance based on salary and service to date of disability. Members prior to April 25, 1973 may elect a benefit based on the formula in effect at that time.

During the fiscal year a change in benefit provisions became effective. The minimum benefit per month per year of service for Plan I members was increased to $15.26; it had been scheduled to be $14.23. Additionally, an increase of up to 3 percent was granted to members who have lost 40 percent of their purchasing power since age 65. The total cost of these two provisions was .46 percent of salary.

Contributions Required and Contributions Made

Each biennium the legislature establishes Plan I employer contribution rates and Plan II employer and employee contribution rates. Employee contribution rates for Plan I are established by statute at 6.00 percent. The employer and employee contribution rates for Plan II are developed by the Office of the State Actuary to fully fund TRS II. All employers are required to contribute at the level established by the legislature. The methods used to determine the contribution requirements are established under state statute as per RCW 41.32.

The state's actuarially determined contribution as a percentage of employers' current-year covered payroll for the fiscal year ended June 30, 1990, was 12.4 percent for Plan I, of which 6.12 percent represents normal costs and 6.28 percent represents the U.A.A.L. For Plan II, the rate was 12.4 percent, of which 6.12 percent represents normal costs and 6.28 percent represents the U.A.A.L. for Plan I. The state is responsible for funding basic education; based upon that funding the school districts make payments directly to the pension fund for pension liabilities incurred for their employees. The total contribution requirement to TRS for the fiscal year ended June 30, 1990, was $314.1 million for the system as a whole; $212.4 was required from employers and $101.7 from employees. Total actual contributions were $306.9 for the system as a whole; of this amount, employer contributions were $200.1 million and employee contributions were $106.8 million.

The total contribution requirement for Washington State was $2.0 million, or 1 percent of the total employer liability. Total actual contributions of $1.9 million were made; of this amount, the state contributed $1.2 million and state employees $.7 million. Actual contribution rates (expressed as a percentage of employers' current-year covered payroll) for fiscal year ended June 30, 1990, were as follows:

	PLAN I	PLAN II
TRS Employee Contributions	6.00%	6.70%
Employer Contributions	11.80%	11.80%

LAW ENFORCEMENT OFFICERS' AND FIRE FIGHTERS' RETIREMENT SYSTEM (LEOFF)

System Information

LEOFF was established in 1970 by the legislature. Membership includes all full-time, fully compensated, local law enforcement officers and fire fighters. LEOFF is comprised solely of nonstate employees. Retirement benefits are vested after an employee completes five years of eligible service.

Plan I participants are eligible to retire with 5 years of service at the age of 50. The benefit per year of service is calculated as a percent of final average salary as follows: 5-10 years - 1.0 percent, 10-20 years - 1.5 percent, 20+ years - 2.0 percent. The final average salary is the basic monthly salary received at the time of retirement, provided a member has held the same position or rank for 12 months preceding the date of retirement. Otherwise, it is the average of the highest consecutive 24 months salary within the last 10 years of service. Retirement benefits are fully indexed to the Seattle area Consumer Price Index.

Plan II participants are eligible to retire at the age of 50 with 20 years of service, or at 58 with 5 years of service. Retirement benefits prior to age 58 are actuarially reduced. The benefit is 2 percent of average salary per year of service. The average salary is based on the highest consecutive 60 months. Retirement benefits are indexed to the Seattle Consumer Price Index with a cap of 3 percent annually.

Significant death and disability benefits are provided by Plan I. Death benefits for Plan I members on active duty consist of the following: (1) If eligible spouse, 50 percent of the final average salary, plus 5 percent of final average salary for each surviving child, with a limitation on the combined allowances of 60 percent of the final average salary, (2) If no eligible spouse, 30 percent of final average salary for the first child plus 10 percent for each additional child, subject to a 60 percent limitation of final average salary. Plan I members are eligible for disability benefits after a six month waiting period (during which salary is paid by employer). The amount of the allowance is 50 percent of the final average salary plus 5 percent for each child up to a maximum of 60%. Upon recovery from disability before the age of 50, a member is restored to service with full credit for service while disabled. Upon recovery after the age of 50, a member's benefit continues as the greater of his disability allowance or his service retirement allowance. These benefit provisions were established by statute. There were no material changes in LEOFF benefit provisions for fiscal year ended June 30, 1990.

Contributions Required and Contributions Made

Plan I employers and employees are required to contribute at a rate of 6.00 percent and the state is responsible for the balance of the funding. Employer and employee contribution rates for Plan II are developed by the Office of the State Actuary to fully fund LEOFF II. Plan II employers and employees are required to pay at the level established by the legislature as per RCW 41.26. The methods used to determine the contribution requirements were established by statute.

The state's actuarially determined contribution rate as a percentage of employers' current-year covered payroll for the fiscal year ended June 30, 1990, was 14.10 percent for Plan I, of which 2.78 percent represents normal costs and 11.32 percent represents the U.A.A.L. For Plan II, the rate was 14.10 percent, of which 2.78 percent represents normal costs and 11.32 percent represents the U.A.A.L. for Plan I. As an employer, the state makes no contributions to LEOFF. However, the Legislature has appropriated money from the general fund to supplement the current service liability and to fund the prior service costs (U.A.A.L.) as per RCW 41.26.080(3). This is not a constitutional requirement and this liability could be returned to the employer by a change of statute.

The total contribution requirement for Fiscal Year 1990, was $110.4 million; of this amount $19.9 million was required from employers, $27.5 million from employees, and $63 million from the State (57 percent of total liability). Actual total contributions were $111.3 million; other employers contributed $20.8 million, employees $27.5 million, and the state $63.0 million. Actual contribution rates (expressed as a percentage of employers' current-year covered payroll) for Fiscal Year 1990, were as follows:

	PLAN I	PLAN II
Employer Contributions	6.00%	4.56%
Employee Contributions	6.00%	7.60%
State of Washington Contributions	31.76%	3.04%

WASHINGTON STATE PATROL RETIREMENT SYSTEM (WSP)

System Information

The Washington State Patrol Retirement System was established by the legislature in 1947. Any commissioned employee of the State Patrol is eligible to participate.

Members are eligible to retire at age 55 or after 25 years of service with a benefit of 2 percent of final average salary per year of service. The benefit is capped at 75 percent of final average salary. In addition, a 2 percent cost-of-living allowance is included. Retirement benefits are vested after an employee completes five years of eligible service.

Benefit provisions include death benefits, however, the system contains no disability benefits. The death benefit for a spouse of a member on active duty consist of 50 percent of average final salary, and 5 percent of average final salary for each surviving child, with a limitation on the combined allowance of 60 percent of average final salary. No significant changes were made in WSP benefit provisions for Fiscal Year ended June 30, 1990.

Contributions Required and Contributions Made

The state's actuarially determined contribution rate (expressed as a percentage of the state's current-year covered payroll) for the fiscal year ended June 30, 1990 was 16.70 percent, of which 16.64 percent represents normal costs and .07 percent represents the U.A.A.L. Statutes (RCW 43.43) obligate employees to contribute at a fixed rate of 7.0 percent. Contribution rates for the state are established for a six year period on the basis of assets and liabilities as shown by actuarial valuation. The WSP actuarially determined contribution for the fiscal year ended June 30, 1990, was $7.9 million; of this amount, $5.6 million was required from employers and $2.3 million from employees. Total actual contributions were $8.9 million; of this amount, $6.6 million (19.88% of total covered payroll) were made by the employer and $2.3 million by the employee.

Trend Information

Three-Year Historical Trend Information for the Washington State Patrol Retirement System is presented below:

WASHINGTON STATE PATROL HISTORICAL TREND INFORMATION - FISCAL YEARS 1988 TO 1990

	1990	1989	1988
Net assets available for benefits expressed as a percentage of the pension benefit obligation applicable to State Patrol employees	110.6%	111.0%	100.5%
Unfunded (assets in excess of) pension benefit obligation as a percentage of the State Patrol's annual covered payroll	(66.9%)	(67.3%)	(3%)
State contributions to the pension system as a percentage of the state's annual covered payroll in accordance with actuarially determined requirements	16.7%	16.7%	18.7%

THE JUDICIAL RETIREMENT SYSTEM (JRS)

System Information

The Judicial Retirement System (JRS) was established by the legislature in 1971. Membership includes judges elected or appointed to the Supreme Court, Court of Appeals, and Superior Courts, on or after August 9, 1971. The system was capped July 1, 1988, with new judges joining PERS II. Current JRS members were given the option of becoming members of PERS and transferring their JRS service credit. These members had until December 31, 1989 to transfer from JRS to PERS.

Any member who involuntarily terminates with 12 or more years of credited service and 15 years after beginning judicial service, or voluntarily terminates with 15 or more years of credited service, is vested and shall receive retirement benefits upon attaining age 60. Retirement benefits are 3 percent of the average final compensation for 10-15 years of service and 3.5 percent for more than 15 years of service.

Death and disability benefits are also provided. Eligibility for death benefits while on active duty requires 10 or more years of service. A monthly benefit is provided which is equal to 50% of the benefit a member would have received if retired, or if greater, 25% of the average final compensation of the member. These benefits terminate with the death or remarriage of the recipient. If the member is retired, a 50% allowance is provided to the surviving spouse that has been married to the judge at least 3 years at the time of death. Benefits terminate on remarriage. For members with 10 or more years of service a disability benefit of 50% of salary is provided. No significant changes were made in JRS benefit provisions for Fiscal Year ended June 30, 1990.

Contributions Required and Contributions Made

The state's actuarially determined contribution rate (expressed as a percentage of the state's current-year covered payroll) for the fiscal year ended June 30, 1990 was 47.61 percent, of which 13.69 percent represents normal cost and 33.92 percent represents the U.A.A.L. Judicial System retirement benefits are financed by 7.5 percent employee and 7.5 percent employer contributions of current-year covered payroll, and by state contributions which are made on a pay-as-you-go basis (RCW 2.10). The JRS actuarially determined total contribution for the fiscal year ended June 30, 1990 was $7.6 million; $0.6 million was required from the employers, $0.6 million from the employees, and $6.4 million (84 percent of total liability) from the state. Total actual contributions were $3.7 million for Fiscal Year 1990; employer contributions were $627,000, employee contributions were $627,000 and general fund contributions were $2.4 million. An amount of $302,000 (representing employee contributions) was transferred to PERS when JRS members were allowed to transfer to PERS.

THE VOLUNTEER FIRE FIGHTERS' RELIEF AND PENSION FUND (VFFRPF)

System Information

The Volunteer Fire Fighters' Relief and Pension Fund (VFFRPF) was created by the legislature in 1945. Membership in the system requires volunteer service with a fire department of an electing municipality of Washington State. Members are vested after ten years of service.

After 25 years of active membership, members having reached the age of 65 and who have paid their annual retirement fee for 25 years, are entitled to receive a monthly benefit of $25 plus $7 per year of service. The maximum benefit is $200. Reduced pensions are available for members under the age of 65 or with less than twenty-five years of service.

Death and active duty disability benefits are provided at no cost to the member. Death benefits in the line of duty consist of a lump sum of $2,000. Funeral and burial expenses are also paid in a lump sum of $2,000 for members on active duty. Members receiving disability benefits at the time of death shall be paid $500. Members on active duty shall receive disability payments of $1,650 per month for up to six months, thereafter payments are reduced. Disabled members receive $825 per month, their spouse $165, and dependent children $70. No significant changes were made in VFFRPF benefit provisions for Fiscal Year ended June 30, 1990. Benefit provisions for VFFRPF are established under the authority of RCW 41.24.

The pension system is funded through member contributions of $20 per year, employer contributions of $10 per year, and 40 percent of the Fire Insurance Premium Tax, as per RCW 41.24. VFFRPF members earn no interest on contributions and may elect to withdraw their contributions upon termination. The relief fund is funded by employer contribution rates of $10 per person.

The State's VFFRPF actuarially determined contribution requirement was $59.25 per member plus $36.73 per fire fighter for the disability and medical benefits. The VFFRPF actuarially determined total contribution of the fiscal year ended June 30, 1990 was $1.74 million; of this amount employers were required to contribute $114,000, employees $227,000, and the State $1.4 million (80 percent of total liability). Total actual contributions were $2.2 million; employer contributions were $110,000, employee $220,000, and state $1.9 million (40% of net fire insurance premium taxes). Since this is a volunteer organization, benefits are paid based on years of service not salary.

TEACHERS' INSURANCE AND ANNUITY ASSOCIATION/COLLEGE RETIREMENT EQUITY FUND (TIAA/CREF)

System Information

TIAA/CREF is privately operated and not administered by Washington State. TIAA/CREF covers higher education faculty and other positions as designated by each institution; participation was established under RCW 28B.10. The employee must commence participation within the first two years of employment. Once eligible to participate in this system, members are vested immediately.

TIAA/CREF benefits are payable upon termination at the member's option unless the participant is reemployed in another institution which participates in TIAA/CREF. Upon retirement, participant accumulations are used to purchase an annuity. The benefits are determined as follows: TIAA - accumulations are converted to a fixed guaranteed annuity payable for life. In addition to the guaranteed annuity, a dividend payment is declared each year depending on investment performance; CREF - at retirement the value of the fund is converted to a variable annuity. This means the annuity is not guaranteed but rises and falls with the value of equity investments.

Current-year covered payroll for TIAA/CREF employees was $376 million for the Fiscal Year ended June 30, 1990.

Contribution Required and Made

Employee contribution rates, which are based on age, range from five to ten percent of salary. These rates are matched by the institution and sent to TIAA/CREF. The employer and employee obligation to contribute are established per RCW 28B.10. The contribution requirement for TIAA/CREF was $62 million. Actual employer and employee contributions were $31 million each, for a total of $62 million. These amounts represent 8 percent of covered payroll for employers and employees.

HIGHER EDUCATION SUPPLEMENT (HES)

System Information

The Higher Education Supplement was established by the legislature and is administered by the individual higher education institutions. This system covers higher education employees, primarily academic personnel, that participate in the TIAA/CREF annuity system and meet certain requirements based on age and years of service. Employees are eligible for an unreduced supplementation after the age of 65 with ten years of full-time service.

The benefit goal is 2% of the average annual compensation for each year of full-time employment up to a maximum of 25 years. However, if the participant does not elect to make the 10% TIAA/CREF contribution after age 50, the benefit goal shall be 1.5% for each year of full time service for those years the lower contribution rate is selected. Individual higher education institutions make payments to qualifying personnel when the retirement benefits provided by TIAA/CREF do not meet the benefit goal. No significant changes were made in HES benefit provisions for the Fiscal Year ended June 30, 1990.

Current-year covered payroll for HES is the same as for TIAA/CREF.

Contributions Required and Contributions Made

The HES is a noncontributory supplemental pension system; it is financed on a pay-as-you-go basis. This system supplements the benefits of certain higher education retirees as per RCW 28B.10. Higher education supplements paid by the state during Fiscal Year 1990 were approximately $4.5 million with an associated U.A.A.L. of approximately $45 million.

NOTE 7 - DEFERRED COMPENSATION PLAN

The state of Washington offers its employees, and employees of those political subdivisions that elect to participate, a deferred compensation plan pursuant to RCW 41.04.250, in accordance with Internal Revenue Code Section 457. Under the plan, eligible employees elect to defer a portion of their salary until future time periods. The deferred compensation is not available to employees until termination, retirement, disability, death, or unforeseeable financial emergency.

Compensation deferred under the plan and all income attributable to the plan are solely the property of the state. The state's rights to this property are subject only to the claim of the state's general creditors until paid to the employee or other beneficiary and are not restricted to the benefit provisions under the plan. Political subdivisions electing to participate retain separate property rights.

The rights of state employees under the plan are equal to those of general creditors of the state in an amount equal to the fair market value of the deferred account for each participant.

The Deferred Compensation Committee has fiduciary responsibility for plan assets and has the duty of due care that would be required of an ordinary prudent investor. It is highly unlikely that the state will be required to use the assets to satisfy claims of general creditors in the future.

Of the $203.0 million in the plan at June 30, 1990, $196.5 million was applicable to the state, while the remaining $6.5 million represents the assets of the other jurisdictions participating in the plan. Deferred Compensation Plan investments along with the corresponding liability, are recorded at fair market value in the Deferred Compensation Agency Fund.

NOTE 8 - CONTINGENCIES

Litigation

The state and its agencies are parties to numerous routine legal proceedings which normally occur in governmental operations. The reoccurring pattern of such litigation is not likely to have a materially adverse effect on the state's revenues or expenditures. There is only one legal proceeding, which was noted last year and is still pending, that should be noted.

Supply System Bond Holder Suit

In 1989 numerous actions were commenced in federal courts on behalf of bond holders who had financed two nuclear power plants in Washington State whose construction was terminated prior to completion. Those bonds were not Washington State bonds, they were revenue bonds, issued by the Public Power Supply System, for project numbers 4 and 5, totalling approximately 2.4 billion dollars. The federal court actions were consolidated as MDL 551. The state was not a defendant.

In November 1984, holders of Washington Public Power Supply System project Number 4 and Number 5 revenue bonds sued the state of Washington and certain state elected officials in a class action suit in King County Superior Court. That lawsuit sought to impose liability on the state, which was not the issuer of the bonds, under several alternative theories. The state moved to dismiss the action on the basis the complaint failed to state a claim upon which relief could be granted. On June 27, 1985, the superior court granted the state's motion to dismiss. Plaintiff appealed and on May 12, 1988 the State Supreme Court reversed the dismissal. In its 5 to 4 decision the Supreme Court ruled the dismissal of the lawsuit at the preliminary stage was inappropriate and the plaintiff should have the opportunity to produce and present evidence in support of its allegations. The state filed a motion for reconsideration of two issues which was denied by the State Supreme Court on July 27, 1989. The lawsuit was remanded to the superior court, but no further proceedings have been held as of this date.

On September 6, 1989, the United States District Court approved a comprehensive settlement of MDL 551, which is the federal court securities litigation relating to the Washington Public Power Supply System projects 4 and 5 revenue bonds. The state of Washington was requested by parties in that litigation to participate in the comprehensive settlement. The state agreed to contribute $10 million to conclude any and all claims against the state. Funds for the settlement were appropriated by the Legislature and the settlement was approved by the parties and the federal district court. An appeal was taken to the Ninth Circuit Court of Appeals challenging the settlement. Oral argument is anticipated upon that appeal in February 1991. If the settlement in federal court is affirmed, it is anticipated that based upon releases in that settlement, the lawsuit in state court will be dismissed.

Federal Assistance

The state has received federal assistance for specific purposes that are generally subject to review or audit by the grantor agencies. Entitlement to this assistance is generally conditional upon compliance with the terms and conditions of grant agreements and applicable federal regulations, including the expenditure of assistance for allowable purposes. Any disallowance resulting from a review or audit may become a liability of the state. The state estimates that the ultimate disallowance pertaining to these grants, if any, will be immaterial to its overall financial condition.

NOTE 9 - SUMMARY OF SUBSEQUENT EVENTS

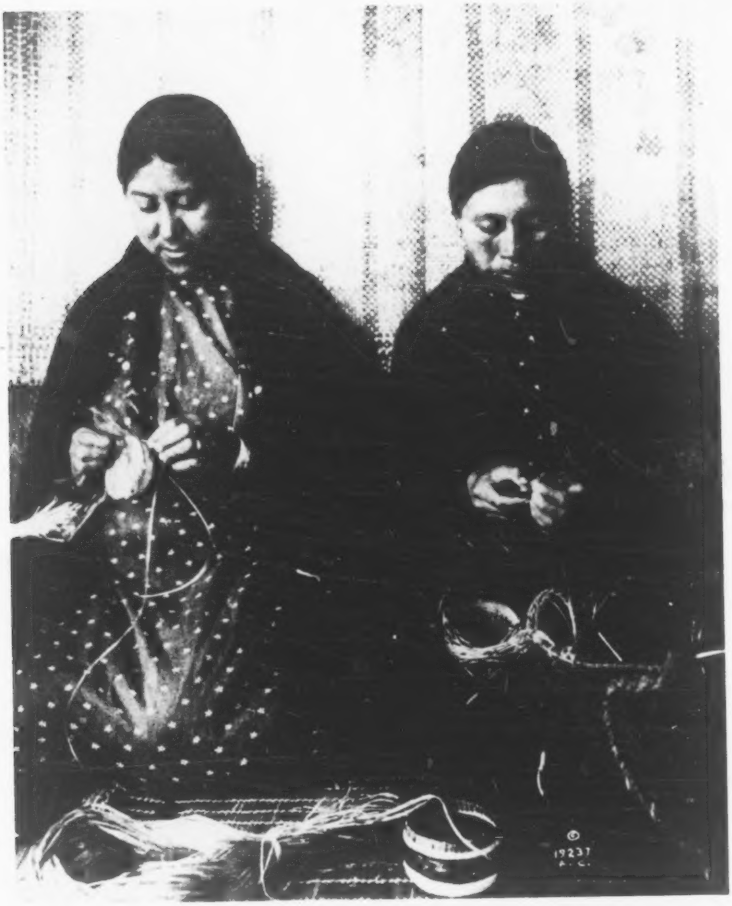
Bond Issues

On July 17, 1990, the state issued $54.2 million in zero interest rate general obligation bonds. The issue provided $21.2 million for construction at the State Convention and Trade Center located in Seattle.

On July 18, 1990, the state issued $185 million in general obligation bonds which provided financing for various capital improvement projects.

On July 18, 1990, the state issued $10 million in motor vehicle fuel tax general obligation bonds. These bonds provided financing for continued construction of arterial street and highway projects of local governments in urban areas.

On September 21, 1990, the state issued $50 million zero interest rate general obligation bonds. The issue provided $21.9 million for various capital projects. These bonds are sold to Washington State citizens as part of a college savings program and other long-term saving objectives.



Washington State Historical Society

Basketry

Baskets in western Washington were very durable and were used for gathering, cooking, and storage. Baskets were also woven as beautiful objects to be admired and given away to friends and relatives. Many were made specifically for trade with other tribes, or for sale as white settlers came to this area.

> *It was my grandmother that taught me how to make baskets. She used to go out and get the cattails and go get the cedar bark and get cedar limbs to make clam baskets. She used to make me sit down and do it. She says, 'You got to learn how. You're goin' to get old, too, like I am, so you better learn how to make this."*
>
> *- Ethel Sam, Suquamish Tribe*

> *"I seen my grandmother gather cedar roots. When she would come home with them in a tub, and after she soaked them, why she would split them the way she wanted them - flat or whatever - for the basket she was going to make. She made designs on them with different colors but sometimes she had to dye the cattails. She dyed them to make designs on the baskets. Baskets for picking berries had to be waterproof. Another type was made of cedar bark for digging clams. They had to be kind of loose so the water would go through."*
>
> *- Agatha Charles McCluskey, Lummi Tribe*

REQUIRED SUPPLEMENTARY INFORMATION

Public Employees' Retirement System Analysis of Funding Progress Calendar Years 1980 through 1989 (dollars in millions)

	1989	1988	1987	1986	1985	1984	1983	1982	1981	1980
Net Assets Available for Benefits	$6,222	$5,296	$4,634	$4,110	$3,482	$2,708	$2,580	$2,111	$1,992	$1,730
Pension Benefit Obligation.................	$7,259	$6,731	$5,944	$5,304	$4,797	$4,258	$4,138	$3,808	$3,415	$3,076
Percentage Funded..........................	86%	79%	78%	77%	73%	64%	62%	55%	58%	56%
Unfunded Pension Benefit Obligation........	$1,037	$1,435	$1,310	$1,194	$1,315	$1,550	$1,558	$1,697	$1,423	$1,346
Annual Covered Payroll.....................	$3,454	$3,186	$2,932	$2,668	$2,524	$2,265	$2,084	$1,922	$1,850	$1,744
Unfunded Pension Benefit Obligation as a Percentage of Covered Payroll........	30%	45%	45%	45%	52%	68%	75%	88%	77%	77%

Note: Assets are valued at market for the years 1982-1989; valuation assets for the years 1980-1981.

Source: Washington State Office of the State Actuary.

Public Employees' Retirement System Revenues by Source and Expenses by Type Calendar Years 1980 through 1989 (dollars in millions)

	1989	1988	1987	1986	1985	1984	1983	1982	1981	1980
Revenues by Source:										
Employee Contributions..................	$ 176.2	$167.5	$154.2	$149.5	$140.3	$129.2	$119.1	$114.9	$112.1	$103.7
Employer Contributions:										
Amount................................	206.0	189.1	206.0	227.3	193.9	164.4	141.5	127.7	133.0	129.3
As Percentage of Covered Payroll.....	6.0%	5.9%	7.0%	8.5%	7.7%	7.3%	6.8%	6.6%	7.2%	7.4%
Investment Income/Miscellaneous.........	860.5	591.8	436.0	194.4	278.9	220.2	231.1	184.8	178.9	140.4
Total Revenues.......................	$1,242.7	$948.4	$796.2	$571.2	$613.1	$513.8	$491.7	$427.4	$424.0	$373.4
Expenses by Type:										
Benefits................................	$ 280.1	$260.8	$241.0	$222.4	$207.2	$197.4	$186.5	$160.7	$133.9	$118.7
Administrative Expenses.................	1.2	1.1	2.2	2.9	4.4	3.8	2.8	1.0	1.1	0.5
Refunds.................................	34.9	30.9	28.8	31.1	31.5	31.5	28.7	28.2	33.5	26.2
Total Expenses.......................	$ 316.2	$292.8	$272.0	$256.4	$243.1	$232.7	$218.0	$189.9	$168.5	$145.4

Notes: Investment earnings reflect dividends, interest, and realized capital gains for the years 1980 through 1986; for 1987 through 1989, unrealized gains and losses are also reflected.

Source: Washington State Office of the State Actuary.

Teachers' Retirement System Analysis of Funding Progress Fiscal Years 1981 through 1990 (dollars in millions)

	1990	1989	1988	1987	1986	1985	1984	1983	1982	1981
Net Assets Available for Benefits	$4,298	$3,942	$3,425	$3,264	$2,729	$2,129	$1,613	$1,593	$1,100	$1,088
Pension Benefit Obligation..................	$6,364	$5,898	$5,474	$4,834	$4,407	$4,029	$3,768	$3,711	$3,561	$3,271
Percentage Funded...........................	68%	67%	63%	68%	62%	53%	43%	43%	31%	33%
Unfunded Pension Benefit Obligation.........	$2,066	$1,956	$2,089	$1,570	$1,678	$1,900	$2,155	$2,118	$2,461	$2,183
Annual Covered Payroll......................	$1,662	$1,562	$1,461	$1,364	$1,318	$1,255	$1,178	$1,075	$1,101	$1,062
Unfunded Pension Benefit Obligation as a Percentage of Covered Payroll.........	124%	125%	143%	115%	127%	151%	183%	197%	224%	206%

Note: Net assets available to pay pension benefits were projected to June 30, 1990.
Assets valued at market for the years 1981-1990.

Source: Washington State Office of the State Actuary.

Teachers' Retirement System Revenues by Source and Expenses by Type Fiscal Years 1980 through 1989 (dollars in millions)

	1989	1988	1987	1986	1985	1984	1983	1982	1981	1980
Revenues by Source:										
Employee Contributions...................	$100.5	$ 89.7	$ 90.7	$ 79.7	$ 74.3	$ 71.1	$ 65.6	$ 65.1	$ 62.1	$ 55.8
Employer Contributions:										
Amount................................	181.8	163.9	153.4	155.0	156.6	168.3	179.7	106.8	96.8	125.2
As Percentage of Covered Payroll.....	11.6%	11.2%	11.2%	11.8%	12.5%	14.3%	16.7%	9.7%	9.1%	13.2%
Investment Income.......................	457.9	130.8	483.8	196.0	181.9	158.7	135.8	118.2	113.8	76.4
Total Revenues..........................	$740.2	$384.4	$727.9	$430.7	$412.8	$398.1	$381.1	$290.1	$272.7	$257.4
Expenses by Type:										
Benefits................................	$216.8	$202.5	$187.5	$174.5	$161.8	$155.9	$179.2	$125.3	$104.7	$ 95.6
Administrative Expenses..................	0.7	0.7	1.5	2.[illegible]	2.6	2.2	0.1	0.6	0.4	0.04
Refunds.................................	6.3	5.5	5.9	7.3	7.4	7.1	6.4	8.6	6.6	6.6
Total Expenses..........................	$223.8	$208.7	$194.9	$184.6	$171.8	$165.2	$185.7	$134.5	$111.7	$102.2

Notes: Investment earnings reflect dividends, interest, and realized capital gains from 1980 through 1986;
for 1987 through 1989, unrealized gains and losses are also reflected.
Data for 1990 is not yet available.

Source: Washington State Office of the State Actuary.

Law Enforcement Officers' and Fire Fighters' Retirement System
Analysis of Funding Progress
Calendar Years 1980 through 1989
(dollars in millions)

	1989	1988	1987	1986	1985	1984	1983	1982	1981	1980
Net Assets Available for Benefits	$2,484	$2,127	$1,887	$1,686	$1,376	$1,031	$ 913	$ 700	$ 456	$ 469
Pension Benefit Obligation..................	$3,318	$3,030	$2,769	$2,631	$2,424	$2,197	$3,233	$2,952	$2,596	$2,156
Percentage Funded..........................	75%	70%	68%	64%	57%	47%	28%	24%	18%	22%
Unfunded Pension Benefit Obligation.........	$ 834	$ 903	$ 882	$ 945	$1,048	$1,166	$2,320	$2,252	$2,140	$1,687
Annual Covered Payroll......................	$ 385	$ 363	$ 328	$ 314	$ 295	$ 276	$ 256	$ 236	$ 217	$ 189
Unfunded Pension Benefit Obligation as a Percentage of Covered Payroll.........	217%	249%	269%	301%	355%	422%	906%	954%	986%	893%

Note: Assets valued at market for the years 1981-1989; valuation assets for 1980.

Source: Washington State Office of the State Actuary.

Law Enforcement Officers' and Fire Fighters' Retirement System
Revenues by Source and Expenses by Type
Calendar Years 1980 through 1989
(dollars in millions)

	1989	1988	1987	1986	1985	1984	1983	1982	1981	1980
Revenues by Source:										
Employee Contributions..................	$ 27.8	$ 26.5	$ 22.3	$ 21.2	$ 19.7	$ 18.3	$ 16.8	$ 15.4	$ 13.9	$ 11.6
Employer Contributions:										
Amount..............................	78.8	75.3	117.8	160.0	135.7	146.8	107.9	149.9	53.5	93.0
As Percentage of Covered Payroll.....	20.5%	20.7%	35.9%	51.0%	46.0%	53.2%	42.1%	63.5%	24.7%	49.2%
Investment Income/Miscellaneous...........	345.3	94.7	146.2	80.0	120.4	81.6	86.4	55.7	53.9	40.4
Total Revenues.........................	$451.9	$196.5	$286.3	$261.2	$275.8	$246.7	$211.1	$221.0	$121.3	$145.0
Expenses by Type:										
Benefits................................	$ 94.6	$ 87.9	$ 82.4	$ 77.3	$ 72.1	$ 66.9	$ 62.7	$ 54.8	$ 45.7	$ 36.2
Administrative Expenses..................	0.6	0.6	1.0	1.2	1.6	1.1	1.0	0.4	0.3	1.2
Refunds.................................	1.7	1.6	1.4	1.4	1.3	1.5	0.9	1.0	1.1	0.8
Total Expenses.........................	$ 96.9	$ 90.1	$ 84.8	$ 79.9	$ 75.0	$ 69.5	$ 64.6	$ 56.2	$ 47.1	$ 38.2

Notes: Investment earnings reflect dividends, interest, and realized capital gains from 1980 through 1986; for 1987 through 1989, unrealized gains and losses are also reflected.

Source: Washington State Office of the State Actuary.

Washington State Patrol Retirement System Analysis of Funding Progress Fiscal Years 1981 through 1990 (dollars in millions)

	1990	1989	1988	1987	1986	1985	1984	1983	1981
Net Assets Available for Benefits ...	$227	$208	$181	$170	$139	$111	$87	$86	$62
Pension Benefit Obligation...........	$205	$188	$180	$164	$137	$128	$130	$120	$90
Percentage Funded....................	111%	111%	101%	104%	101%	87%	67%	72%	69%
Unfunded (Assets in Excess of) Pension Benefit Obligation.........	($22)	($21)	($1)	($6)	($2)	$17	$43	$34	$28
Annual Covered Payroll...............	$33	$31	$29	$28	$26	$25	$24	$22	$19
Unfunded Pension Benefit Obligation as a Percentage of Covered Payroll..	(67)%	(67)%	(3)%	(21)%	(8)%	68%	179%	155%	147%

Notes: Net assets available to pay pension benefits were projected to June 30, 1990.
Data was not available for 1982.
1984-1990 assets are at market; 1981 and 1983 are valuation assets.

Source: Washington State Office of the State Actuary.

Washington State Patrol Retirement System Revenues by Source and Expenses by Type Fiscal Years 1981 through 1989 (dollars in thousands)

	1989	1988	1987	1986	1985	1984	1983	1981
Revenues by Source:								
Employee Contributions..................	$ 2,230	$ 2,152	$ 1,986	$ 1,851	$ 2,452	$ 2,048	$ 1,567	$ 1,359
Employer Contributions:								
Amount................................	6,064	6,003	6,224	5,769	5,744	5,669	5,351	4,497
As Percentage of Covered Payroll.......	19.9%	20.6%	22.2%	22.2%	23.0%	23.6%	24.3%	23.7%
Investment Income/Miscellaneous..........	24,404	7,647	27,537	12,507	13,731	10,044	11,040	5,244
Total Revenues.........................	$32,698	$15,802	$35,747	$20,127	$21,927	$17,761	$17,958	$11,100
Expenses by Type:								
Benefits................................	$ 5,190	$ 4,667	$ 4,223	$ 3,948	$ 3,723	$ 3,359	$ 2,948	$ 1,819
Administrative Expenses..................	24	21	77	217	218	217	94	42
Refunds..................................	125	240	26	108	91	14	16	88
Total Expenses.........................	$ 5,339	$ 4,928	$ 4,326	$ 4,273	$ 4,032	$ 3,590	$ 3,058	$ 1,949

Notes: Investment earnings reflect dividends, interest and realized capital gains for periods stated; for 1987 through 1989, unrealized gains and losses are also reflected.
Data for 1990 is not yet available.
Data for 1982 was not available because the system was not evaluated on a yearly basis.
Data for 1980 was not available.

Source: Washington State Office of the State Actuary.

Judicial Retirement System
Analysis of Funding Progress
Calendar Years 1986 through 1989
(dollars in thousands)

	1989	1988	1987	1986
Net Assets Available for Benefits (at Market)........	$ 30	$ 1,812	$ 1,144	$ 553
Pension Benefit Obligation..........................	$67,116	$60,719	$58,414	$52,449
Percentage Funded..................................	0%	3%	2%	1%
Unfunded Pension Benefit Obligation.................	$67,086	$58,907	$57,270	$51,896
Annual Covered Payroll.............................	$ 8,063	$ 8,904	$ 8,978	$ 8,288
Unfunded Pension Benefit Obligation as a Percentage of Covered Payroll.................	832%	662%	638%	626%

Note: Data not available for years 1980 through 1985.

Source: Washington State Office of the State Actuary.

Judicial Retirement System
Revenues by Source and Expenses by Type
Calendar Years 1986 through 1989
(dollars in thousands)

	1989	1988	1987	1986
Revenues by Source:				
Employee Contributions..................................	$ 640	$ 787	$ 641	$ 641
Employer Contributions:				
Amount..	640	787	636	632
As Percentage of Covered Payroll....................	7.9%	8.8%	7.1%	7.6%
General Fund/Transfer from PERS.........................	580	1,331	1,350	0
Investment Income.......................................	84	70	110	105
Total Revenues......................................	$ 1,944	$ 2,975	$ 2,737	$ 1,378
Expenses by Type:				
Benefits..	$ 3,003	$ 2,428	$ 2,141	$ 2,036
Administrative Expenses.................................	4	6	6	0
Refunds...	0	0	0	0
Total Expenses......................................	$ 3,007	$ 2,434	$ 2,147	$ 2,036

Note: Data not available for years 1980 through 1985.
Investment earnings reflect dividends, interest, and realized capital gains for 1986; for 1987 through 1989, unrealized gains and losses are also reflected.

Source: Washington State Office of the State Actuary.

Volunteer Fire Fighters' Relief and Pension Fund Analysis of Funding Progress Calendar Years 1987 through 1989 (dollars in thousands)

	1989	1988	1987
Net Assets Available for Benefits (at Market)	$43,966	$38,504	$35,975
Pension Benefit Obligation	$38,465	$39,930	$38,376
Percentage Funded	114%	96%	94%
Unfunded (Assets in Excess of) Pension Benefit Obligation	$(5,501)	$ 1,426	$ 2,401
Annual Covered Payroll	N/A	N/A	N/A
Unfunded Pension Benefit Obligation as a Percentage of Covered Payroll	N/A	N/A	N/A

Note: Covered payroll is not presented because it is not applicable since this is a volunteer organization.
The pension benefit is based on years of service, not salary.
Data not available prior to 1987.

Source: Washington State Office of the State Actuary.

Volunteer Fire Fighters' Relief and Pension Fund Revenues by Source and Expenses by Type Calendar Years 1987 through 1989 (dollars in thousands)

	1989	1988	1987
Revenues by Source:			
Employee Contributions	$ 220	$ 222	$ 214
Employer Contributions:			
Amount	110	111	107
As Percentage of Covered Payroll	N/A	N/A	N/A
Fire Insurance Premium Tax (40% net)	1,900	1,986	2,084
Disability Fees	104	97	97
Investment Income/Miscellaneous	6,290	3,009	1,775
Total Revenues	$ 8,624	$ 5,425	$ 4,277
Expenses by Type:			
Benefits	$ 2995	$ 2,752	$ 2,612
Administrative Expenses	150	122	121
Refunds	18	20	19
Total Expenses	$ 3,163	$ 2,894	$ 2,752

Note: Data not available prior to 1987.
Investment earnings reflect dividends, interest, realized capital gains, and unrealized gains and losses.

Source: Washington State Office of the State Actuary.

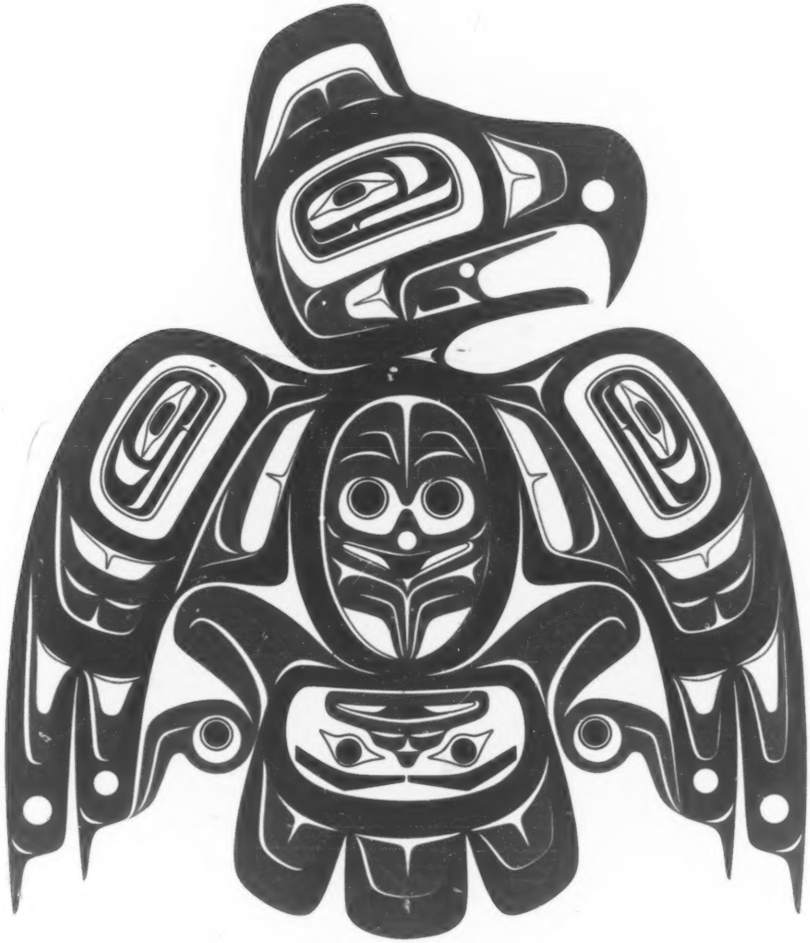
Lummi Tribe

Rites and Ceremonies

Rattles and drums are used in both public and secret ceremonies. Spiritual assistance has traditionally been considered crucial to a successful life among native people in western Washington. Songs and dances accompanied by drums and rattles are a means of gaining this assistance. Drums are used for this purpose in winter ceremonies, as well as for gambling, doctoring, or singing and dancing for pleasure. Shamans used certain types of rattles to call on the assistance of spirit helpers for power to heal the sick. A leader uses a rattle to call together gatherings, and dancers use rattles in performing personal or family songs and dances.

> *"In the old time, they had special dances for each ceremony, like religious prayers. Mothers had lullabies to put their babies to sleep. Some like to sing to themselves as they went about their work. No pianos. They had drums to beat and rattlers - deer hooves fastened together which they used when dancing. This is a common kind of rattler among all Indian tribes. These hooves were also worn around their ankles and arms and other places wherever they thought it best."*
>
> *- Aurelia Celestine, Lummi Tribe*

COMBINING FINANCIAL STATEMENTS



Peter Dunthorne

The Legend of The Eagle

It is the Indian belief that the eagle has many powers. The story of the eagle goes that he was a man before he was an eagle. Once there were two brothers that were feuding. One brother pushed his elder brother off a rock by accident. He felt real bad because he didn't mean to kill his brother.

The brother was in sorrow and felt discomfort. He was ready to take his own life by jumping off a cliff. Then a big bird came down and a shadow fell over the brother. The eagle said to the brother in his own Indian language "No, don't take your own life. I am here to watch over and protect you." Then the brother felt good inside to know his brother was watching over him.

So when Indian people are out travelling and see an eagle, we know it is our big brother watching over us. Indian people always look in the sky to see if the eagle is watching over them. The eagle has been known to lead our people when they are lost. That is the reason why it is forbidden to shoot or kill the eagle.

Indian people believe all things come to an end. When the eagle gives up his life we use his feathers out of respect for him.

- Harlan Sam, Upper Skagit Tribe

GENERAL FUND

*The **General Fund** accounts for all financial resources and transactions not accounted for in another fund. The basic portion is nonrestrictive in use, whereas the restricted portion is earmarked for specific purposes.*

Schedule of Assets, Liabilities, and Fund Balance
General Fund
June 30, 1990
(expressed in thousands)

			TOTALS	
	BASIC	RESTRICTED	JUNE 30, 1990	JUNE 30, 1989
ASSETS:				
Cash and pooled investments	$ 750,397	$ 448,730	$ 1,199,127	$ 773,828
Investments	....	855	855	928
Taxes receivable (net of allowance)	1,177,239	2,103	1,179,342	687,981
Other receivables (net of allowance)	74,652	80,454	155,106	119,043
Due from other funds	119,672	21,321	140,993	168,025
Due from other governments	256,071	63,688	319,759	231,314
Inventories	11,336	1,204	12,540	12,233
Total Assets	$ 2,389,367	$ 618,355	$ 3,007,722	$ 1,993,352
LIABILITIES AND FUND BALANCE				
LIABILITIES:				
Accounts payable	$ 244,240	$ 3,083	$ 247,323	251,381
Contracts and retainages payable	2,137	12,753	14,890	15,166
Accrued liabilities	117,868	5,783	123,651	73,899
Due to other funds	194,626	15,952	210,578	192,645
Due to other governments	25,713	292	26,005	3,401
Deferred revenues	685,922	73,760	759,682	718,274
Total Liabilities	1,270,506	111,623	1,382,129	1,254,766
FUND BALANCE:				
Reserved for:				
Encumbrances	182,342	9,288	191,630	589
Inventories	11,336	1,204	12,540	12,233
Restricted accounts	....	459,086	459,086	147,494
Working capital	332,535	....	332,535	....
Other specific purposes	40,525	37,154	77,679	122,379
Unreserved:				
Undesignated	552,123	....	552,123	455,891
Total Fund Balance	1,118,861	506,732	1,625,593	738,586
Total Liabilities and Fund Balance	$ 2,389,367	$ 618,355	$ 3,007,722	$ 1,993,352

STATE OF WASHINGTON

Schedule of Revenues, Expenditures, and Changes in Fund Balance
General Fund
For the Fiscal Year Ended June 30, 1990
(expressed in thousands)

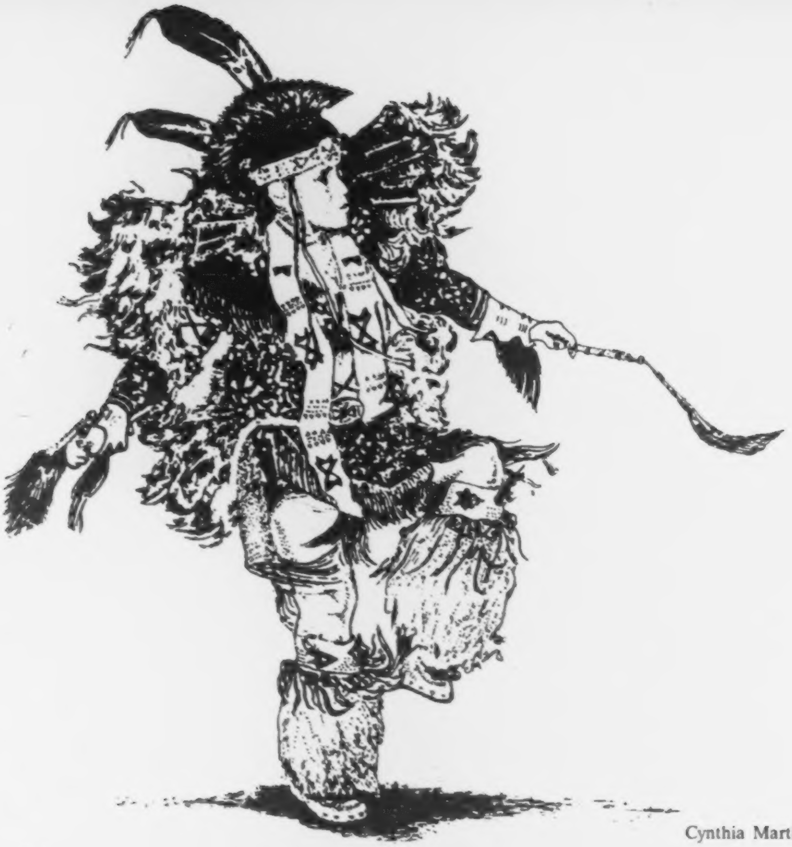
			TOTALS FOR THE YEAR ENDED	
	BASIC	RESTRICTED	JUNE 30, 1990	JUNE 30, 1989
REVENUES:				
Retail sales taxes	$ 3,295,296	$..........	$ 3,295,296	$ 2,870,813
Business and occupation taxes	1,134,861	....	1,134,861	1,000,329
Property taxes	680,956	....	680,956	637,784
Excise taxes	614,882	20,315	635,197	497,214
Motor vehicle and fuel taxes	....	3,321	3,321	1,952
Other taxes	486,005	86,311	572,316	527,148
Licenses, permits, and fees	51,747	14,704	66,451	57,778
Federal grants-in-aid	1,642,089	780	1,642,869	1,467,495
Charges for services	201,245	590	201,835	207,085
Miscellaneous revenue	106,317	142,952	249,269	190,486
Total Revenues	8,213,398	268,973	8,482,371	7,458,084
EXPENDITURES:				
Current:				
General government	390,870	75,576	466,446	441,020
Human services	3,105,906	20,576	3,126,482	2,797,659
Natural resources and recreation	160,986	52,964	213,950	220,623
Transportation	24,688	6,569	31,257	34,613
Education	3,869,390	7,482	3,876,872	3,543,408
Capital outlays	119,185	10,491	129,676	91,035
Debt service:				
Principal	10,625	845	11,470	8,725
Interest	1,111	57	1,168	1,246
Total Expenditures	7,682,761	174,560	7,857,321	7,138,329
Excess of Revenues Over (Under) Expenditures	530,637	94,413	625,050	319,755
OTHER FINANCING SOURCES (USES):				
Operating transfers in	173,514	236,934	410,448	281,891
Operating transfers out	(469,054)	(68,336)	(537,390)	(383,262)
Capital lease acquisitions	7,101	1,501	8,602	3,655
Total Other Financing Sources (Uses)	(288,439)	170,099	(118,340)	(97,716)
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	242,198	264,512	506,710	222,039
FUND BALANCES:				
Fund balances as restated, July 1	876,533	242,228	1,118,761	516,547
Residual equity transfers in	130	....	130	....
Residual equity transfers out	....	(8)	(8)	....
Fund Balances, June 30	$ 1,118,861	$ 506,732	$ 1,625,593	$ 738,586

STATE OF WASHINGTON

Interim 1989-1991 Biennium Schedule of Revenues, Expenditures, and Other Financing Sources (Uses) - Budget and Actual
General Fund
For the Fiscal Year Ended June 30, 1990
(expressed in thousands)

	BASIC			RESTRICTED		
	APPROVED BUDGET 1989-91 BIENNIUM	ACTUAL BIENNIUM-TO-DATE THRU 6-30-90	DIFFERENCE UNCOLLECTED/ UNSPENT THRU 6-30-90	APPROVED BUDGET 1989-91 BIENNIUM	ACTUAL BIENNIUM-TO-DATE THRU 6-30-90	DIFFERENCE UNCOLLECTED/ UNSPENT THRU 6-30-90
REVENUES:						
Taxes	$12,739,076	$ 6,212,000	$(6,527,076)	$ 231,031	$ 109,947	$ (121,084)
Licenses, permits, and fees	100,006	51,747	(48,259)	29,693	14,704	(14,989)
Federal grants-in-aid	3,538,268	1,627,233	(1,911,035)	3,414	780	(2,634)
Charges for services	407,231	201,245	(205,986)	730	590	(140)
Miscellaneous revenue	169,442	106,317	(63,125)	262,428	142,952	(119,476)
Total Revenues	16,954,023	8,198,542	(8,755,481)	527,296	268,973	(258,323)
EXPENDITURES:						
Current:						
General government	757,413	390,074	367,339	228,890	76,605	152,285
Human services	6,885,189	3,118,779	3,766,410	56,124	20,791	35,333
Natural resources and recreation	467,549	225,463	242,086	126,338	55,181	71,157
Transportation	57,929	27,447	30,482	19,370	6,759	12,611
Education	8,315,763	3,895,887	4,419,876	17,092	7,484	9,608
Capital outlays	34,477	3,254	31,223	175,379	6,239	169,140
Total Expenditures	16,518,320	7,660,904	8,857,416	623,193	173,059	450,134
Excess of Revenues Over (Under) Expenditures	435,703	537,638	101,935	(95,897)	95,914	191,811
OTHER FINANCING SOURCES (USES):						
Operating transfers in	343,276	173,514	(169,762)	75,883	236,934	161,051
Operating transfers out	(670,565)	(469,054)	201,511	(72,764)	(68,336)	4,428
Total Other Financing Sources (Uses)	(327,289)	(295,540)	31,749	3,119	168,598	165,479
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	$ 108,414	$ 242,098	$ 133,684	$ (92,778)	$ 264,512	$ 357,290

TOTALS		
APPROVED BUDGET 1989-91 BIENNIUM	ACTUAL BIENNIUM-TO-DATE THRU 6-30-90	DIFFERENCE UNCOLLECTED/ UNSPENT THRU 6-30-90
$12,970,107	$ 6,321,947	$(6,648,160)
129,699	66,451	(63,248)
3,541,682	1,628,013	(1,913,669)
407,961	201,835	(206,126)
431,870	249,269	(182,601)
17,481,319	8,467,515	(9,013,804)
986,303	466,679	519,624
6,941,313	3,139,570	3,801,743
593,887	280,644	313,243
77,299	34,206	43,093
8,332,855	3,903,371	4,429,484
209,856	9,493	200,363
17,141,513	7,833,963	9,307,550
339,806	633,552	293,746
419,159	410,448	(8,711)
(743,329)	(537,390)	205,939
(324,170)	(126,942)	197,228
$ 15,636	$ 506,610	$ 490,974



Cynthia Martinez

The People of the Plateau

East of the Cascade Mountains in Washington State lies an environment of great variety and beauty. Through mountainous pine forests, grassy high plateau, and an arid desert basin, wind the Columbia River and its many tributaries. This great river system provides food, transportation, and spiritual sustenance for the people who live there.

The Native people of eastern Washington moved through this environment following the seasonal availability of food. A semi-nomadic lifestyle was the most effective method for the gathering of plants and the hunting of animals. The digging of roots began the harvest cycle each spring. Throughout the summer, people harvested many kinds of fish which thrived in the waterways. Berries and nuts were picked at the close of summer. During fall and early winter animals were hunted. Much of the food collected during the times of plenty was preserved for use during the harsh winters.

During the year, tribal groups had times for gathering to exchange foods, tools, raw materials, finished crafts like baskets, and stories. Such times gave people an opportunity to solidify bonds with one another, a time for marriages and for memorials.

Today, Washington Native people continue to harvest from the land and the water. Industries have developed on reservations: forestry and timber, fish hatcheries, computers, recreation, and tourism. And, as in the past, Native people continue to gather to celebrate traditional holidays with feasting and to plan for the future.

Indian Tribes of Eastern Washington

Colville Confederated Tribes
Kalispel Indian Tribe
Spokane Tribe of Indians
Confederated Tribes and Bands of the Yakima Indian Nation

SPECIAL REVENUE FUNDS

Special Revenue Funds account for the proceeds of specific revenue sources, other than major capital projects or expendable trust funds, that are legally restricted to expenditures for specified purposes. Washington's Special Revenue Funds are described below:

Motor Vehicle Fund revenues are generated from vehicle fuel taxes, vehicle licenses, and federal transportation agencies. This fund accounts for the following: (1) Highway activities of the Washington State Patrol; and (2) Maintenance of non-interstate highways and bridges, completion and preservation of the interstate system, and other transportation improvements.

Transportation Fund revenues are derived principally from motor vehicle operators. This fund accounts for activities relating to drivers' licensing, driver improvement, financial responsibility, maintenance of driving records, and other non-highway transportation improvements.

State Wildlife Fund revenues are generated primarily from hunting and non-commercial fishing licenses. This fund accounts for the protection, propagation, and conservation of wild animals, wild birds, game fish, and their habitats.

Common School Construction Fund revenues are obtained principally from the sale of timber and investment earnings. This fund provides financing to local school districts under the control of the State Board of Education for construction of common school facilities.

The **Central Administrative and Regulatory Fund** accounts for operating expenditures of certain administrative and regulatory agencies.

The **Human Services Fund** accounts for the following: (1) Funds provided to local governments for the construction or substantial remodeling of detention and correctional facilities, and (2) Defraying the cost of administering unemployment compensation.

The **Natural Resources Fund** primarily accounts for the planning, design, acquisition, construction, and improvement of public waste disposal and water supply facilities, and related management systems.

The **Higher Education Fund** primarily accounts for grants and contracts received for research and other educational purposes. This fund also accounts for dedicated revenue for state institutions of higher education.

Combining Balance Sheet
Special Revenue Funds
June 30, 1990
(expressed in thousands)

	MOTOR VEHICLE	TRANS-PORTATION	STATE WILDLIFE	COMMON SCHOOL CONSTRUCT.	CENTRAL ADMIN. & REGULATORY
ASSETS:					
Cash and pooled investments	$ 324,817	$ 20,185	$ 9,118	$ 41,345	$ 62,792
Investments	....	....	1,638	....	....
Taxes receivable (net of allowance)	5,421	....	....	....	840
Other receivables (net of allowance)	20,169	18	759	86,692	428
Due from other funds	23,449	1,823	1,116	5,453	19,353
Due from other governments	29,997	993	1,954	....	8
Inventories	15,193	233	174	....	....
Total Assets	$ 419,046	$ 23,252	$ 14,759	$ 133,490	$ 83,421
LIABILITIES AND FUND BALANCES:					
LIABILITIES:					
Accounts payable	$ 11,119	$ 230	$ 591	$ 121	$ 5,696
Contracts and retainages payable	11,579	188	....	29,798	....
Accrued liabilities	10,113	844	1,227	....	3,077
Due to other funds	12,058	651	381	634	1,520
Due to other governments	12,288	1	....	....	38
Deferred revenues	20,377	....	694	82,760	....
Total Liabilities	77,534	1,914	2,893	113,313	10,331
FUND BALANCES:					
Reserved for:					
Encumbrances	4,860	1,319	2,261	9,479	1,304
Inventories	15,193	233	174	....	....
Other specific purposes	86	....	1,668	....	48
Unreserved:					
Designated for other specific purposes	....	....	....	....	....
Undesignated	321,373	19,786	7,763	10,698	71,738
Total Fund Balances	341,512	21,338	11,866	20,177	73,090
Total Liabilities and Fund Balances	$ 419,046	$ 23,252	$ 14,759	$ 133,490	$ 83,421

HUMAN SERVICES	NATURAL RESOURCES	HIGHER EDUCATION	TOTALS JUNE 30, 1990	TOTALS JUNE 30, 1989
$ 21,014	$ 273,937	$ 162,602	$ 915,810	$ 777,096
....	700	2,826	5,164	3,200
....	2,529	....	8,790	7,368
52	6,810	26,379	141,307	114,053
4,895	23,935	30,378	110,402	172,199
2,625	6,811	27,800	70,188	96,756
....	....	4,050	19,650	19,748
$ 28,586	$ 314,722	$ 254,035	$ 1,271,311	$ 1,190,420
$ 529	$ 2,637	$ 9,745	$ 30,668	$ 80,631
20	11,615	213	53,413	62,140
3,337	1,767	26,523	46,888	53,981
2,689	5,640	23,377	46,950	55,702
....	14,011	300	26,638	33,169
....	2,563	39,969	146,363	157,759
6,575	38,233	100,127	350,920	443,382
77	173,911	41,286	234,497	123,969
....	....	4,050	19,650	19,748
23	7,335	3,778	12,938	4,735
....	....	67,402	67,402	60,501
21,911	95,243	37,392	585,904	538,085
22,011	276,489	153,908	920,391	747,038
$ 28,586	$ 314,722	$ 254,035	$ 1,271,311	$ 1,190,420

Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
Special Revenue Funds
For the Fiscal Year Ended June 30, 1990
(expressed in thousands)

	MOTOR VEHICLE	TRANS-PORTATION	STATE WILDLIFE	COMMON SCHOOL CONSTRUCTION	CENTRAL ADMIN. & REGULATORY
REVENUES:					
Retail sales taxes	$............	$............	$............	$............	$............
Excise taxes	55,609	14	....	....	....
Motor vehicle and fuel taxes	480,951	....	....	....	....
Other taxes	12	....	20	....	50,148
Licenses, permits, and fees	177,245	15,866	21,429	....	30,288
Federal grants-in-aid	380,389	3,187	7,643	472	....
Charges for services	519	....	74	....	12,787
Miscellaneous revenue	54,624	11,327	3,175	162,159	18,160
Total Revenues	1,149,349	30,394	32,341	162,631	111,383
EXPENDITURES:					
Current:					
General government	152,051	....	35	....	59,600
Human services	6,658	....	....	....	12,388
Natural resources and recreation	407	....	30,552	....	1,858
Transportation	426,056	26,361	243	....	6,332
Education	....	....	....	348	6,333
Capital outlays	354,350	396	2,783	160,745	1,635
Debt service:					
Principal	4,759	54	110	....	23
Interest	1,361	6	45	....	1
Total Expenditures	945,642	26,817	33,768	161,093	88,170
Excess of Revenues Over (Under) Expenditures	203,707	3,577	(1,427)	1,538	23,213
OTHER FINANCING SOURCES (USES):					
Bond sale proceeds	....	....	....	....	....
Operating transfers in	183,437	3,319	....	7,964	13,575
Operating transfers out	(319,100)	(689)	(533)	(6,834)	(933)
Capital lease acquisitions	2,459	....	132	....	13
Total Other Financing Sources (Uses)	(133,204)	2,630	(401)	1,130	12,655
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	70,503	6,207	(1,828)	2,668	35,868
FUND BALANCES:					
Fund balances as restated, July 1	271,009	15,131	13,694	17,509	37,222
Residual equity transfers in	....	....	....	....	....
Residual equity transfers out	....	....	....	....	....
Fund Balances, June 30	$ 341,512	$ 21,338	$ 11,866	$ 20,177	$ 73,090

HUMAN SERVICES	NATURAL RESOURCES	HIGHER EDUCATION	TOTALS FOR THE YEAR ENDED JUNE 30, 1990	JUNE 30, 1989
$............	$ 893	$............	$ 893	$............
....	1,293	....	56,916	53,561
....	7,043	....	487,994	451,681
....	81,299	....	131,479	74,860
8,561	25,565	....	278,954	250,212
63,235	1,902	314,603	771,431	758,203
254	324	128,770	142,728	132,021
10,380	55,730	133,970	449,525	298,682
82,430	174,049	577,343	2,319,920	2,019,220
....	37	....	211,723	199,244
82,812	8,065	....	109,923	89,619
159	135,868	....	168,844	162,972
....	154	....	459,146	441,623
....	....	496,974	503,655	449,049
868	5,232	34,219	560,228	557,843
100	18	1,276	6,340	6,401
39	....	4	1,456	1,475
83,978	149,374	532,473	2,021,315	1,908,226
(1,548)	24,675	44,870	298,605	110,994
....	10,000	....	10,000	157,100
....	3,096	19,911	231,302	77,086
(214)	(3,664)	(37,503)	(369,470)	(207,406)
....	79	213	2,896	177
(214)	9,511	(17,379)	(125,272)	26,957
(1,762)	34,186	27,491	173,333	137,951
23,817	242,303	126,207	746,892	609,030
....	....	210	210	188
(44)	....	....	(44)	(131)
$ 22,011	$ 276,489	$ 153,908	$ 920,391	$ 747,038

Interim 1989-1991 Biennium Combining Schedule of Revenues, Expenditures, and Other Financing Sources (Uses) - Budget and Actual
Special Revenue Funds
For the Fiscal Year Ended June 30, 1990
(expressed in thousands)

	MOTOR VEHICLE			HIGHWAY SAFETY		
	APPROVED BUDGET 1989-91 BIENNIUM	ACTUAL BIENNIUM-TO-DATE THRU 6-30-90	DIFFERENCE UNCOLLECTED/ UNSPENT THRU 6-30-90	APPROVED BUDGET 1989-91 BIENNIUM	ACTUAL BIENNIUM-TO-DATE THRU 6-30-90	DIFFERENCE UNCOLLECTED/ UNSPENT THRU 6-30-90
REVENUES:						
Taxes	$ 1,020,702	$ 536,572	$ (484,130)	$...........	$ 14	$ 14
Licenses, permits, and fees	354,428	177,245	(177,183)	35,524	15,866	(19,658)
Federal grants-in-aid	792,851	380,389	(412,462)	6,219	3,187	(3,032)
Charges for services	5,022	519	(4,503)	....	....	....
Miscellaneous revenue	64,932	54,624	(10,308)	18,802	11,327	(7,475)
Total Revenues	2,237,935	1,149,349	(1,088,586)	60,545	30,394	(30,151)
EXPENDITURES:						
Current:						
General government	323,710	152,063	171,647	750	....	750
Human services	6,658	6,658	....	....	....	....
Natural resources and recreation	1,753	396	1,357	....	....	....
Transportation	677,070	277,836	399,234	59,427	26,817	32,610
Education	....	....	....	....	....	....
Capital outlays	1,224,611	504,088	720,523	3,400	....	3,400
Debt service	2,414	2,142	272	....	....	....
Total Expenditures	2,236,216	943,183	1,293,033	63,577	26,817	36,760
Excess of Revenues Over (Under) Expenditures	1,719	206,166	204,447	(3,032)	3,577	6,609
OTHER FINANCING SOURCES (USES):						
Bond sale proceeds	162,000	....	(162,000)	3,400	....	(3,400)
Operating transfers in	210,237	183,437	(26,800)	6,460	3,319	(3,141)
Operating transfers out	(489,014)	(319,100)	169,914	(2,553)	(689)	1,864
Total Other Financing Sources (Uses)	(116,777)	(135,663)	(18,886)	7,307	2,630	(4,677)
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	$ (115,058)	$ 70,503	$ 185,561	$ 4,275	$ 6,207	$ 1,932

Continued

STATE WILDLIFE			COMMON SCHOOL CONSTRUCTION			CENTRAL ADMINISTRATIVE AND REGULATORY		
APPROVED BUDGET 1989-91 BIENNIUM	ACTUAL BIENNIUM-TO-DATE THRU 6-30-90	DIFFERENCE UNCOLLECTED/ UNSPENT THRU 6-30-90	APPROVED BUDGET 1989-91 BIENNIUM	ACTUAL BIENNIUM-TO-DATE THRU 6-30-90	DIFFERENCE UNCOLLECTED/ UNSPENT THRU 6-30-90	APPROVED BUDGET 1989-91 BIENNIUM	ACTUAL BIENNIUM-TO-DATE THRU 6-30-90	DIFFERENCE UNCOLLECTED/ UNSPENT THRU 6-30-90
$ 48	$ 20	$ (28)	$...........	$...........	$...........	$ 102,853	$ 50,148	$ (52,705)
43,104	21,429	(21,675)	....	....	....	57,640	30,288	(27,352)
15,717	7,643	(8,074)	450	472	22	....	....	....
18	74	56	....	....	....	27,266	12,787	(14,479)
5,429	3,175	(2,254)	257,265	162,159	(95,106)	24,257	18,160	(6,097)
64,316	32,341	(31,975)	257,715	162,631	(95,084)	212,016	111,383	(100,633)
39	35	4	....	....	....	145,799	60,390	85,409
....	....	....	....	....	....	61,818	12,577	49,241
62,329	30,427	31,902	....	....	....	8,204	1,858	6,346
657	243	414	....	....	....	32,259	6,503	25,756
....	....	....	....	....	....	13,487	6,333	7,154
11,478	2,931	8,547	480,811	161,093	319,718	19,611	496	19,115
....	....	....	....	....	....	....	....	....
74,503	33,636	40,867	480,811	161,093	319,718	281,178	88,157	193,021
(10,187)	(1,295)	8,892	(223,096)	1,538	224,634	(69,162)	23,226	92,388
....	....	....	40,000	....	(40,000)	....	....	....
....	....	....	....	7,964	7,964	52,454	13,575	(38,879)
(2,365)	(533)	1,832	(8,214)	(6,834)	1,380	(16,514)	(933)	15,581
(2,365)	(533)	1,832	31,786	1,130	(30,656)	35,940	12,642	(23,298)
$ (12,552)	$ (1,828)	$ 10,724	$ (191,310)	$ 2,668	$ 193,978	$ (33,222)	$ 35,868	$ 69,090

STATE OF WASHINGTON

Interim 1989-1991 Biennium Combining Schedule of Revenues, Expenditures, and Other Financing Sources (Uses) - Budget and Actual
Special Revenue Funds
For the Fiscal Year Ended June 30, 1990
(expressed in thousands)

	HUMAN SERVICES			NATURAL RESOURCES		
	APPROVED BUDGET 1989-91 BIENNIUM	ACTUAL BIENNIUM-TO-DATE THRU 6-30-90	DIFFERENCE UNCOLLECTED/ UNSPENT THRU 6-30-90	APPROVED BUDGET 1989-91 BIENNIUM	ACTUAL BIENNIUM-TO-DATE THRU 6-30-90	DIFFERENCE UNCOLLECTED/ UNSPENT THRU 6-30-90
REVENUES:						
Taxes	$...........	$...........	$...........	$ 179,358	$ 90,528	$ (88,830)
Licenses, permits, and fees	18,033	8,561	(9,472)	55,379	25,565	(29,814)
Federal grants-in-aid	139,000	63,235	(75,765)	5,316	1,902	(3,414)
Charges for services	1,748	254	(1,494)	711	324	(387)
Miscellaneous revenue	14,336	10,380	(3,956)	55,370	56,690	1,320
Total Revenues	173,117	82,430	(90,687)	296,134	175,009	(121,125)
EXPENDITURES:						
Current:						
General government	25	....	25	650	48	602
Human services	177,999	83,480	94,519	3,081	1,195	1,886
Natural resources and recreation	390	166	224	206,797	65,031	141,766
Transportation	....	....	....	1,113	96	1,017
Education	....	....	....	....	....	....
Capital outlays	788	332	456	472,324	84,148	388,176
Debt service	....	....	....	329	....	329
Total Expenditures	179,202	83,978	95,224	684,294	150,518	533,776
Excess of Revenues Over (Under) Expenditures	(6,085)	(1,548)	4,537	(388,160)	24,491	412,651
OTHER FINANCING SOURCES (USES):						
Bond sale proceeds	....	....	....	268,230	10,000	(258,230)
Operating transfers in	....	....	....	15,742	3,096	(12,646)
Operating transfers out	(911)	(214)	697	(17,631)	(3,664)	13,967
Total Other Financing Sources (Uses)	(911)	(214)	697	266,341	9,432	(256,909)
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	$ (6,996)	$ (1,762)	$ 5,234	$ (121,819)	$ 33,923	$ 155,742

Concluded

HIGHER EDUCATION			TOTALS		
APPROVED BUDGET 1989-91 BIENNIUM	ACTUAL BIENNIUM-TO-DATE THRU 6-30-90	DIFFERENCE UNCOLLECTED/ UNSPENT THRU 6-30-90	APPROVED BUDGET 1989-91 BIENNIUM	ACTUAL BIENNIUM-TO-DATE THRU 6-30-90	DIFFERENCE UNCOLLECTED/ UNSPENT THRU 6-30-90
$...........	$...........	$...........	$ 1,302,961	$ 677,282	$ (625,679)
....	....	....	564,108	278,954	(285,154)
657,663	314,603	(343,060)	1,617,216	771,431	(845,785)
229,703	128,770	(100,933)	264,468	142,728	(121,740)
233,000	133,970	(99,030)	673,391	450,485	(222,906)
1,120,366	577,343	(543,023)	4,422,144	2,320,880	(2,101,264)
....	....	....	470,973	212,536	258,437
....	....	....	249,556	103,910	145,646
....	....	....	279,473	97,878	181,595
....	....	....	770,526	311,495	459,031
1,090,939	529,822	561,117	1,104,426	536,155	568,271
6,000	2,438	3,562	2,219,023	755,526	1,463,497
....	....	....	2,743	2,142	601
1,096,939	532,260	564,679	5,096,720	2,019,642	3,077,078
23,427	45,083	21,656	(674,576)	301,238	975,814
....	....	....	473,630	10,000	(463,630)
5,707	19,911	14,204	290,600	231,302	(59,298)
(39,567)	(37,503)	2,064	(576,769)	(369,470)	207,299
(33,860)	(17,592)	16,268	187,461	(128,168)	(315,629)
$ (10,433)	$ 27,491	$ 37,924	$ (487,115)	$ 173,070	$ 660,185

Washington State Capital Museum

A Time For Hunting

Game animals provided a necessary food supplement to dried salmon throughout the winter. They also provided raw materials for clothing, tools and utensils, and were used as items for trade.

Plateau leaders with specialized knowledge and ability were responsible for beginning the harvest of each food resource. Following this tradition, a ceremony was usually observed after the first kill of the season. An individual hunter would pursue his own spiritual guidance, seeking the proper, respectful attitude toward his task and toward the animal.

Death is an ending, and a beginning.
Death is to be understood
In the immortality of the spirit,
For the dead live on in the spirit.
Mourning makes peace with change.
Grief does not have to do with despair.
In Nature, the continuity of life
Depends upon renewal through death.
Man in harmony with Nature will
Find both Life and Death within his power

Yakima Nation Museum - Yakima Indian Nation

DEBT SERVICE FUNDS

Debt Service Funds account for the accumulation of resources for, and the payment of, general long-term debt principal and interest. A brief description of each Debt Service Fund follows:

The **General Obligation Bond Fund** is used for the accumulation of resources for, and the payment of, general obligation long-term debt principal and interest.

Transportation Bond Fund revenue is derived principally from the motor vehicle fuel tax. This fund accounts for the accumulation of resources and payment of highway and ferry bond principal and interest.

STATE OF WASHINGTON

Combining Balance Sheet
Debt Service Funds
June 30, 1990
(expressed in thousands)

	GENERAL OBLIGATION BONDS	TRANSPORTATION BONDS	TOTALS JUNE 30, 1990	TOTALS JUNE 30, 1989
ASSETS:				
Cash and pooled investments	$ 57,225	$ 42,121	$ 99,346	$ 80,494
Other receivables (net of allowance)	118	75	193	187
Due from other funds	8,365	2,442	10,807	8,898
Total Assets	$ 65,708	$ 44,638	$ 110,346	$ 89,579
LIABILITIES AND FUND BALANCES:				
LIABILITIES:				
Contracts and retainages payable	$ 1,133	$	$ 1,133	$ 979
Accrued liabilities	81	....	81	512
Due to other funds	14	....	14	96
Total Liabilities	1,228	....	1,228	1,587
FUND BALANCES:				
Unreserved:				
Designated for debt service	64,480	44,638	109,118	87,992
Total Fund Balances	64,480	44,638	109,118	87,992
Total Liabilities and Fund Balances	$ 65,708	$ 44,638	$ 110,346	$ 89,579

Combining Statement of Revenues, Expenditures, and Changes in Fund Balance Debt Service Funds For the Fiscal Year Ended June 30, 1990 (expressed in thousands)

	GENERAL OBLIGATION BOND	TRANSPORTATION BOND	TOTALS FOR THE YEAR ENDED	
			JUNE 30, 1990	JUNE 30, 1989
REVENUES:				
Federal grants-in-aid	$ 164	$............	$ 164	$ 164
Miscellaneous revenue	11,485	2,500	13,985	11,580
Total Revenues	11,649	2,500	14,149	11,744
EXPENDITURES:				
Debt service:				
Principal	104,046	43,537	147,583	128,920
Interest	168,924	60,784	229,708	223,314
Total Expenditures	272,970	104,321	377,291	352,234
Excess of Revenues Over (Under) Expenditures	(261,321)	(101,821)	(363,142)	(340,490)
OTHER FINANCING SOURCES (USES):				
Proceeds of refunding bonds	104,035	23,242	127,277	383,702
Payment to refunded bond escrow agent	(103,915)	(23,215)	(127,130)	(383,702)
Operating transfers in	308,780	96,359	405,139	396,719
Operating transfers out	(20,939)	....	(20,939)	(53,680)
Total Other Financing Sources (Uses)	287,961	96,386	384,347	343,039
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	26,640	(5,435)	21,205	2,549
FUND BALANCES:				
Fund balances as restated, July 1	37,919	50,073	87,992	85,443
Residual equity transfers out	(79)	....	(79)	....
Fund Balances, June 30	$ 64,480	$ 44,638	$ 109,118	$ 87,992

STATE OF WASHINGTON

Interim 1989-1991 Biennium Combining Schedule of Revenues, Expenditures, and Other Financing Sources (Uses) - Budget and Actual
Debt Service Funds
For the Fiscal Year Ended June 30, 1990
(expressed in thousands)

	GENERAL OBLIGATION BOND			TRANSPORTATION BOND		
	APPROVED BUDGET 1989-91 BIENNIUM	ACTUAL BIENNIUM-TO-DATE THRU 6-30-90	DIFFERENCE UNCOLLECTED/ UNSPENT THRU 6-30-90	APPROVED BUDGET 1989-91 BIENNIUM	ACTUAL BIENNIUM-TO-DATE THRU 6-30-90	DIFFERENCE UNCOLLECTED/ UNSPENT THRU 6-30-90
REVENUES:						
Federal grants-in-aid.................	$...........	$ 164	$ 164	$...........	$...........	$...........
Miscellaneous revenue.................	53,699	11,485	(42,214)	5,009	2,500	(2,509)
Total Revenues......................	53,699	11,649	(42,050)	5,009	2,500	(2,509)
EXPENDITURES:						
Debt service..........................	601,945	272,970	328,975	222,021	104,321	117,700
Total Expenditures..................	601,945	272,970	328,975	222,021	104,321	117,700
Excess of Revenues Over (Under) Expenditures.........	(548,246)	(261,321)	286,925	(217,012)	(101,821)	115,191
OTHER FINANCING SOURCES (USES):						
Proceeds of refunding bonds...........	....	104,035	104,035	....	23,242	23,242
Payment to refunded bond escrow agent.	....	(103,915)	(103,915)	....	(23,215)	(23,215)
Operating transfers in	553,915	308,780	(245,135)	202,491	96,359	(106,132)
Operating transfers out...............	(68,891)	(20,939)	47,952	....	....	....
Total Other Financing Sources (Uses)	485,024	287,961	(197,063)	202,491	96,386	(106,105)
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	$ (63,222)	$ 26,640	$ 89,862	$ (14,521)	$ (5,435)	$ 9,086

TOTALS		
APPROVED BUDGET 1989-91 BIENNIUM	ACTUAL BIENNIUM-TO-DATE THRU 6-30-90	DIFFERENCE UNCOLLECTED/ UNSPENT THRU 6-30-90
$...........	$ 164	$ 164
58,708	13,985	(44,723)
58,708	14,149	(44,559)
823,966	377,291	446,675
823,966	377,291	446,675
(765,258)	(363,142)	402,116
....	127,277	127,277
....	(127,130)	(127,130)
756,406	405,139	(351,267)
(68,891)	(20,939)	47,952
687,515	384,347	(303,168)
$ (77,743)	$ 21,205	$ 98,948

University of Washington Library

Celebrations

Celebrations are important times of gathering in eastern Washington. Today, special occasions such as marriages, wedding anniversaries, birthdays, and the fourth of July still bring people together from across long distances.

On these occasions in the past, people and horses were dressed in their finest clothing and gear, and such gifts as beautifully twined bags, filled with dried roots, and baskets of preserved fish, meat and berries were exchanged. Exchanges such as these at weddings formed social and political bonds between families and villages.

Marriage is a shared experience,
Between a man and a woman,
And between their families.
The young couple finds the security of continuity within the larger group.
Their privacy is a precious quality
Found in relationship with others.
Their opportunity to be the source of continuity comes with time.

Yakima Nation Museum - Yakima Indian Nation

CAPITAL PROJECTS FUNDS

Capital Projects Funds account for financial resources to be used for acquisition, construction, or improvement of major capital facilities (other than those financed by Proprietary Funds and similar trust funds). A brief description of Washington's Capital Projects Funds follows:

The **State Facilities Fund** accounts for the construction and remodeling of public buildings.

The **Higher Education Facilities Fund** accounts for the acquisition, construction, and remodeling of higher education facilities.

Combining Balance Sheet
Capital Projects Funds
June 30, 1990
(expressed in thousands)

	STATE FACILITIES	HIGHER EDUCATION FACILITIES	TOTALS JUNE 30, 1990	TOTALS JUNE 30, 1989
ASSETS:				
Cash and pooled investments	$ 50	$ 33,423	$ 33,473	$ 52,562
Investments	....	108	108	125
Other receivables (net of allowance)	9,028	48	9,076	5,158
Due from other funds	5,983	1,878	7,861	14,125
Due from other governments	117	....	117	18
Total Assets	$ 15,178	$ 35,457	$ 50,635	$ 71,988
LIABILITIES AND FUND BALANCES:				
LIABILITIES:				
Accounts payable	$ 3,887	$ 2,207	$ 6,094	$ 9,402
Contracts and retainages payable	6,808	2,248	9,056	7,363
Accrued liabilities	412	148	560	252
Due to other funds	22,656	13,112	35,768	26,150
Due to other governments	83	....	83	86
Deferred revenues	8,695	....	8,695	4,391
Total Liabilities	42,541	17,715	60,256	47,644
FUND BALANCES:				
Reserved for:				
Encumbrances	61,069	17,451	78,520	4,997
Other specific purposes	25	108	133	150
Unreserved:				
Designated for other specific purposes	....	183	183	19,197
Undesignated	(88,457)	....	(88,457)	....
Total Fund Balances	(27,363)	17,742	(9,621)	24,344
Total Liabilities and Fund Balances	$ 15,178	$ 35,457	$ 50,635	$ 71,988

Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
Capital Projects Funds
For the Fiscal Year Ended June 30, 1990
(expressed in thousands)

	STATE FACILITIES	HIGHER EDUCATION FACILITIES	TOTALS FOR THE YEAR ENDED JUNE 30, 1990	TOTALS FOR THE YEAR ENDED JUNE 30, 1989
REVENUES:				
Federal grants-in-aid	$........	$........	$........	$ 2
Charges for services	....	15,290	15,290	14,540
Miscellaneous revenue	10,971	2,807	13,778	11,210
Total Revenues	10,971	18,097	29,068	25,752
EXPENDITURES:				
Current:				
General government	4,091	....	4,091	1,484
Human services	19,027	....	19,027	6,644
Natural resources and recreation	8,331	....	8,331	4,369
Transportation	179	....	179	278
Education	9,526	7,574	17,100	17,420
Capital outlays	151,176	45,773	196,949	190,357
Debt service:				
Principal	3,088	441	3,529	357
Interest	8	587	595	336
Total Expenditures	195,426	54,375	249,801	221,245
Excess of Revenues Over (Under) Expenditures	(184,455)	(36,278)	(220,733)	(195,493)
OTHER FINANCING SOURCES (USES):				
Bond sale proceeds	155,947	5,167	161,114	72,887
Note proceeds	....	....	....	5,732
Operating transfers in	12,617	45,177	57,794	48,400
Operating transfers out	(5,658)	(26,482)	(32,140)	(32,510)
Total Other Financing Sources (Uses)	162,906	23,862	186,768	94,509
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(21,549)	(12,416)	(33,965)	(100,984)
FUND BALANCES:				
Fund balances as restated, July 1	(5,814)	30,158	24,344	125,328
Fund Balances, June 30	$ (27,363)	$ 17,742	$ (9,621)	$ 24,344

STATE OF WASHINGTON

Interim 1989-1991 Biennium Combining Schedule of Revenues, Expenditures, and Other Financing Sources (Uses) - Budget and Actual
Capital Projects Funds
For the Fiscal Year Ended June 30, 1990
(expressed in thousands)

	STATE FACILITIES			HIGHER EDUCATION FACILITIES		
	APPROVED BUDGET 1989-91 BIENNIUM	ACTUAL BIENNIUM-TO-DATE THRU 6-30-90	DIFFERENCE UNCOLLECTED/ UNSPENT THRU 6-30-90	APPROVED BUDGET 1989-91 BIENNIUM	ACTUAL BIENNIUM-TO-DATE THRU 6-30-90	DIFFERENCE UNCOLLECTED/ UNSPENT THRU 6-30-90
REVENUES:						
Charges for services	$	$	$	$ 29,704	$ 15,290	$ (14,414)
Miscellaneous revenue	19,730	10,971	(8,759)	22,142	2,807	(19,335)
Total Revenues	19,730	10,971	(8,759)	51,846	18,097	(33,749)
EXPENDITURES:						
Current:						
General government	612		612	78		78
Transportation	1,000	142	858			
Capital outlays	871,982	192,236	679,746	146,676	54,375	92,301
Debt service	3,101	3,048	53			
Total Expenditures	876,695	195,426	681,269	146,754	54,375	92,379
Excess of Revenues Over (Under) Expenditures	(856,965)	(184,455)	672,510	(94,908)	(36,278)	58,630
OTHER FINANCING SOURCES (USES):						
Bond sale proceeds	527,833	155,947	(371,886)	179,650	5,167	(174,483)
Operating transfers in	35,984	12,617	(23,367)	63,989	45,177	(18,812)
Operating transfers out	(4,000)	(5,658)	(1,658)	(63,274)	(26,482)	36,792
Total Other Financing Sources (Uses)	559,817	162,906	(396,911)	180,365	23,862	(156,503)
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	$ (297,148)	$ (21,549)	$ 275,599	$ 85,457	$ (12,416)	$ (97,873)

TOTALS		
APPROVED BUDGET 1989-91 BIENNIUM	ACTUAL BIENNIUM-TO-DATE THRU 6-30-90	DIFFERENCE UNCOLLECTED/ UNSPENT THRU 6-30-90
$ 29,704	$ 15,290	$ (14,414)
41,872	13,778	(28,094)
71,576	29,068	(42,508)
690	....	690
1,000	142	858
1,018,658	246,611	772,047
3,101	3,048	53
1,023,449	249,801	773,648
(951,873)	(220,733)	731,140
707,483	161,114	(546,369)
99,973	57,794	(42,179)
(67,274)	(32,140)	35,134
740,182	186,768	(553,414)
$ (211,691)	$ (33,965)	$ 177,726

University of Washington Library

Food is a Gift

Plateau people were the keepers of vast resources, and practiced a conservation based upon many generations of environmental study. Food, considered a precious gift, required proper consideration and handling. Various kinds of plants and other creatures were, after all, offering their very lives for the health and nourishment of the people. This fact was humbly acknowledged by ceremonies and feasts held at each harvest.

Harvesting of plants was traditionally done by women. The multitude of native food plants included camas, bitterroot, cous, wild carrot, cattail, wild onion, sunflower, dandelion, and wild potato. The digging was hard work, usually restricted to the cooler morning hours. Cleaning and drying the roots were more sedentary activities, and would usually take place during the hotter part of a summer day.

Progression from childhood to maturity is the work of the young,
But it requires the guidance and support of the family and society.
Education of each boy and girl is the gradual revelation of a culture.
When thoughts and actions become one with culture,
Maturity is the result, and
Respect is the reward.

Yakima Nation Museum - Yakima Indian Nation

ENTERPRISE FUNDS

Enterprise Funds account for the following: (1) State operations that are financed and operated in a manner similar to private business enterprises where the state's intent is that the cost of providing goods and/or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (2) State operations where a periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. A brief description of each Enterprise Fund follows:

The **Liquor Fund** is used to account for the operation of state liquor stores and warehouses, administrative costs, and distribution of net proceeds.

The **Workers' Compensation Fund** is used to account for the workers' compensation program which provides medical, time-loss, and disability benefit payments to qualifying individuals sustaining work-related injuries.

The **Convention and Trade Fund** is used to account for the acquisition, design, construction, promotion, and operation of the State Convention and Trade Center.

The **Lottery Fund** is used to account for lottery ticket revenues, administrative and operating expenses of the Lottery Commission, and the distribution of revenue to the General Fund.

The **Institutional Fund** accounts for the enterprise activities (industries) carried out through vocational/education programs at the correctional institutions.

The **State Ferry and Toll Fund** is used to account for all revenue and payment of all operating costs of the state ferry system, to allocate financial resources to certain accounts required to be maintained by bond resolution or statute, and to account for the revenues, maintenance, and operations of the Spokane River Toll Bridge.

The **Student Services Fund** is used by colleges and universities principally for bookstore, cafeteria, parking, student housing, and food service business enterprise activities.

The **Other Activities Fund** accounts for the following: (1) The operation of computer systems for legislative information and a statewide library network, and (2) The production and sale of statute law publications and official reports.

Combining Balance Sheet
Enterprise Funds
June 30, 1990
(expressed in thousands)

	LIQUOR	WORKERS' COMPENSATION	CONVENTION AND TRADE	LOTTERY	INSTITUTIONAL
ASSETS:					
CURRENT ASSETS:					
Cash and pooled investments	$ 5,897	$ 485	$ (3,898)	$ 13,850	$ 1,331
Taxes receivable (net of allowance)	2,655	....	....	....	....
Other receivables (net of allowance)	465	284,388	1,004	3,204	81
Due from other funds	1,003	5,311	768	878	1,478
Due from other governments	175	704	....	....	218
Inventories	35,773	167	....	345	3,413
Prepaid expenses	1	....	58	433	2
Total Current Assets	45,969	291,055	(2,068)	18,710	6,523
OTHER ASSETS:					
Investments, noncurrent	....	3,785,810	....	184,793	....
Other nonfixed assets	....	....	....	....	....
Total Other Assets	....	3,785,810	....	184,793	....
FIXED ASSETS:					
Land	178	3,165	14,841	....	....
Buildings	1,858	....	162,193	....	....
Other improvements and miscellaneous	134	230	....	274	667
Furnishings and equipment	9,440	21,739	5,334	3,079	2,275
Accumulated depreciation	(7,541)	(8,126)	(7,429)	(1,557)	(1,049)
Construction in progress	....	2,593	8,282	....	....
Total Fixed Assets	4,069	19,601	183,221	1,796	1,893
Total Assets	$ 50,038	$ 4,096,466	$ 181,153	$ 205,299	$ 8,416
LIABILITIES AND FUND EQUITY:					
CURRENT LIABILITIES:					
Accounts payable	$ 13,812	$ 32,403	$ 1,763	$ 1,644	$ 3,350
Contracts and retainages payable	2	30,046	248	63	84
Accrued liabilities	2,704	8,278	4,066	23,682	412
Matured bonds payable	....	....	2,775	....	....
Due to other funds	7,545	5,474	12,000	7,628	143
Due to other governments	....	26	....	....	1
Deferred revenues	307	....	....	....	10
Current workers' comp benefits payable	....	511,000	....	....	....
Total Current Liabilities	24,370	587,227	20,852	33,017	4,000
LONG-TERM LIABILITIES:					
Long-term workers' comp benefits payable	....	3,202,788	....	....	....
Bonds payable	....	....	128,790	....	....
Other long-term obligations	....	....	758	167,619	303
Total Long-Term Liabilities	....	3,202,788	129,548	167,619	303
Total Liabilities	24,370	3,790,015	150,400	200,636	4,303
FUND EQUITY:					
Unrealized gain on investments	....	45,656	....	....	....
Contributed capital	....	22	....	....	2,970
Retained earnings:					
Unreserved	25,668	260,773	30,753	4,663	1,143
Total Fund Equity	25,668	306,451	30,753	4,663	4,113
Total Liabilities and Fund Equity	$ 50,038	$ 4,096,466	$ 181,153	$ 205,299	$ 8,416

			TOTALS	
STATE FERRY AND TOLL	STUDENT SERVICES	OTHER ACTIVITIES	JUNE 30, 1990	JUNE 30, 1989
$ 13,695	$ 95,080	$ 16,545	$ 142,985	$ 164,137
....	....	....	2,655	2,771
2,394	29,632	29	321,197	275,371
453	3,022	2,199	15,112	28,598
....	14,542	4	15,643	16,015
4,408	14,457	120	58,683	55,572
67	1,661	3	2,225	2,469
21,017	158,394	18,900	558,500	544,933
....	22,386	170	3,993,159	3,598,705
14	252	....	266	275
14	22,638	170	3,993,425	3,598,980
10,444	768	....	29,396	23,467
83,123	441,384	2	688,560	661,778
127,793	11,498	....	140,596	139,682
286,478	79,026	10,217	417,588	389,701
(111,236)	(181,815)	(6,170)	(324,923)	(292,342)
....	7,661	....	18,536	18,972
396,602	358,522	4,049	969,753	941,258
$ 417,633	$ 539,554	$ 23,119	$ 5,521,678	$ 5,085,171
$ 1,719	$ 13,690	$ 26	$ 68,407	$ 39,449
1,015	2,500	2,053	36,011	31,679
8,182	16,778	471	64,573	56,331
1,200	7,653	....	11,628	11,292
2,176	2,937	55	37,958	89,302
1	3,927	....	3,955	3,119
16	15,641	289	16,263	12,827
....	....	....	511,000	517,728
14,309	63,126	2,894	749,795	761,727
....	....	....	3,202,788	2,915,359
15,340	158,384	....	302,514	315,472
....	8,300	....	176,980	142,578
15,340	166,684	....	3,682,282	3,373,409
29,649	229,810	2,894	4,432,077	4,135,136
....	....	....	45,656	97,668
506,769	9,010	581	519,352	439,371
(118,785)	300,734	19,644	524,593	412,996
387,984	309,744	20,225	1,089,601	950,035
$ 417,633	$ 539,554	$ 23,119	$ 5,521,678	$ 5,085,171

STATE OF WASHINGTON

Combining Statement of Revenues, Expenses, and Changes in Fund Equity Enterprise Funds For the Fiscal Year Ended June 30, 1990 (expressed in thousands)

	LIQUOR	WORKERS' COMPENSATION	CONVENTION AND TRADE	LOTTERY	INSTITUTIONAL
OPERATING REVENUES:					
Sales	$ 232,323	$............	$............	$............	$ 16,687
Less: Cost of goods sold	161,558	....	....	....	13,987
Gross profit (loss)	70,765	....	....	....	2,700
Charges for services	....	282	2,799	....	....
Insurance premiums	....	716,085	....	....	....
Lottery ticket proceeds	....	....	....	246,334	....
Miscellaneous revenue	30,736	5,078	11,641	16	1,001
Total Operating Revenues	101,501	721,445	14,440	246,350	3,701
OPERATING EXPENSES:					
Salaries and wages	27,079	53,555	2,545	3,697	2,597
Employee benefits	6,878	13,443	777	1,021	623
Personal services	21	4,746	1,961	14,499	....
Goods and services	11,735	28,499	2,015	15,276	96
Travel	277	2,453	21	459	79
Insurance benefit payments	....	843,261	....	....	....
Lottery prize payments	....	....	....	116,750	....
Depreciation and amortization	1,009	2,408	3,547	400	21
Miscellaneous expenses	245	2,853	1,260	66	....
Total Operating Expenses	47,244	951,218	12,126	152,168	3,416
Operating Income (Loss)	54,257	(229,773)	2,314	94,182	285
NONOPERATING REVENUES (EXPENSES):					
Other revenue (expenses)	(165)	(145)	(512)	(38)	(1,350)
Interest income	984	319,866	129	874	69
Interest expense	....	....	(10,440)	(20)	(6)
Liquor profits distributed to local governments	(24,550)	....	....	....	....
Total Nonoperating Revenues (Expenses)	(23,731)	319,721	(10,823)	816	(1,287)
Income (Loss) Before Operating Transfers	30,526	89,948	(8,509)	94,998	(1,002)
OPERATING TRANSFERS:					
Operating transfers in	109	104,321	....	23,339	759
Operating transfers out	(32,439)	(95,024)	....	(116,610)	(1,033)
Net Operating Transfers In (Out)	(32,330)	9,297	....	(93,271)	(274)
Net Income (Loss) Before Extraordinary Item	(1,804)	99,245	(8,509)	1,727	(1,276)
EXTRAORDINARY ITEM:					
Bond refunding gain (loss)	....	....	(930)	....	....
NET INCOME (LOSS)	(1,804)	99,245	(9,439)	1,727	(1,276)
FUND EQUITY:					
Fund equity as restated, July 1	27,472	259,218	40,192	2,936	5,394
Residual equity transfers out	....	....	....	....	....
Unrealized gain (loss) on investments	....	(52,012)	....	....	....
Contributions of capital	....	....	....	....	....
Return of contributed capital	....	....	....	....	(5)
Fund Equity, June 30	$ 25,668	$ 306,451	$ 30,753	$ 4,663	$ 4,113

STATE FERRY AND TOLL	STUDENT SERVICES	OTHER ACTIVITIES	~~TOTALS FOR THE~~ YEAR ENDED	
			JUNE 30, 1990	JUNE 30, 1989
$............	$ 54,337	$ 3,976	$ 307,323	$ 286,060
....	35,955	173	211,673	197,875
....	18,382	3,803	95,650	88,185
63,177	267,980	1,068	335,306	305,213
....	....	....	716,085	646,099
....	....	....	246,334	255,411
69	44,666	15,286	108,493	91,204
63,246	331,028	20,157	1,501,868	1,386,112
45,538	131,072	3,541	269,624	247,757
10,218	27,784	847	61,591	53,571
1,094	2,111	267	24,699	18,623
23,775	119,221	3,792	204,409	191,733
669	5,547	105	9,610	8,418
....	....	....	843,261	810,290
....	....	....	116,750	117,688
11,881	15,649	730	35,645	34,554
626	8,661	33	13,744	25,725
93,801	310,045	9,315	1,579,333	1,508,359
(30,555)	20,983	10,842	(77,465)	(122,247)
1,020	236	124	(830)	1,859
903	8,906	798	332,529	301,505
(696)	(10,500)	(75)	(21,737)	(21,397)
....	....	....	(24,550)	(23,250)
1,227	(1,358)	847	285,412	258,717
(29,328)	19,625	11,689	207,947	136,470
120,855	23,074	1,369	273,826	344,224
(100,655)	(23,717)	(98)	(369,576)	(438,682)
20,200	(643)	1,271	(95,750)	(94,458)
(9,128)	18,982	12,960	112,197	42,012
....	....	....	(930)	(14,340)
(9,128)	18,982	12,960	111,267	27,672
317,127	290,887	7,265	950,491	798,946
....	(126)	....	(126)	....
....	....	....	(52,012)	96,723
79,985	1	....	79,986	26,694
....	....	....	(5)	....
$ 387,984	$ 309,744	$ 20,225	$ 1,089,601	$ 950,035

STATE OF WASHINGTON

Combining Statement of Cash Flows
All Enterprise Fund Types
For the Fiscal Year Ended June 30, 1990
(expressed in thousands)

	LIQUOR	WORKERS' COMPENSATION	CONVENTION AND TRADE	LOTTERY	INSTITUTIONAL
CASH FLOWS FROM OPERATING ACTIVITIES:					
OPERATING INCOME (LOSS)	$ 54,257	$ (229,773)	$ 2,314	$ 94,182	$ 285
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATIONS:					
Depreciation	1,009	2,408	3,547	400	21
Amortization of premiums/discounts on investments	....	3,131	....	....	....
CHANGE IN ASSETS: DECREASE (INCREASE)					
Receivables (net of allowance)	(110)	(37,913)	(723)	(770)	(30)
Due from other funds	(103)	6,964	596	3,132	144
Due from other governments	27	633	....	....	(9)
Inventories	(884)	(1)	....	252	(814)
Prepaid expenses	....	....	150	(386)	(1)
Other nonfixed assets	....	....	....	....	....
CHANGE IN LIABILITIES: INCREASE (DECREASE)					
Accounts payable	2,649	21,526	675	831	1,454
Contracts and retainages payable	3	2,832	(505)	63	58
Accrued liabilities	(1,242)	1,527	643	5,341	39
Due to other funds	385	1,868	1,961	(2,041)	50
Due to other governments	....	27	....	....	(8)
Deferred revenues	122	....	....	....	10
Workers' compensation benefits payable	....	280,701	....	....	....
Other long-term obligations	....	(2,093)	751	23,344	258
Net Cash or Cash Equivalents Provided By (Used In) Operating Activities	56,113	51,837	9,409	124,348	1,457
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:					
Liquor profits distributed to local government	(24,550)	....	....	....	....
Operating transfers in	109	104,321	....	23,339	759
Operating transfers out	(32,439)	(95,024)	....	(116,610)	(1,033)
Contributions of capital	....	....	....	....	....
Return of contributed capital	....	....	....	....	(5)
Fund equity transfers in (out)	....	....	....	....	....
Other revenue (expenses)	(165)	(145)	(512)	(38)	(1,350)
Net Cash or Cash Equivalents Provided By (Used In) Noncapital Financing Activities	(57,045)	9,152	(512)	(93,309)	(1,629)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:					
Payments for interest	....	....	(10,440)	(20)	(6)
Acquisitions of fixed assets	(947)	(14,004)	(27,867)	(613)	(645)
Proceeds from sale of fixed assets	215	6,046	20,327	76	1,039
Bond refunding loss	....	....	(930)	....	....
Retirement of long-term bonds payable	....	....	(2,545)	....	....
Proceeds from long-term bonds payable	....	....	795	....	....
Net Cash or Cash Equivalents Provided By (Used In) Capital and Related Financing Activities	(732)	(7,958)	(20,660)	(557)	388
CASH FLOWS FROM INVESTING ACTIVITIES:					
Receipt of interest	984	319,866	129	874	69
Proceeds from sale of investment securities	....	4,424,842	....	14,758	22
Purchases of investment securities	....	(4,813,899)	....	(56,239)	(22)
Net Cash Provided By (Used In) Investing Activities	984	(69,191)	129	(40,607)	69
NET INCR. (DECR.) IN CASH AND POOLED INVESTMENTS	(680)	(16,160)	(11,634)	(10,125)	285
CASH AND POOLED INVESTMENTS AT JULY 1, 1989	6,577	16,645	7,736	23,975	1,046
CASH AND POOLED INVESTMENTS AT JUNE 30, 1990	$ 5,897	$ 485	$ (3,898)	$ 13,850	$ 1,331

STATE FERRY AND TOLL	STUDENT SERVICES	OTHER ACTIVITIES	TOTALS FOR THE YEAR ENDED JUNE 30, 1990	TOTALS FOR THE YEAR ENDED JUNE 30, 1989
$ (30,555)	$ 20,983	$ 10,842	$ (77,465)	$ (122,247)
11,881	15,649	730	35,645	34,554
....	....	....	3,131	12,423
(1,023)	(5,649)	512	(45,706)	13,242
451	4,044	(1,720)	13,508	10,406
....	(753)	474	372	(3,098)
28	(1,685)	(7)	(3,111)	5,241
622	(148)	7	244	(568)
....	....	....	....	2,141
(951)	2,765	9	28,958	4,908
(278)	264	1,895	4,332	1,825
(331)	2,194	55	8,226	(92)
(53,488)	(23)	(51)	(51,339)	(24,007)
....	817	....	836	(1,083)
12	3,292	....	3,436	(2,547)
....	....	....	280,701	276,562
....	(3,983)	(60)	18,217	44,342
(73,632)	37,767	12,686	219,985	252,002
....	....	....	(24,550)	(23,250)
120,855	23,074	1,369	273,826	344,224
(100,655)	(23,717)	(98)	(369,576)	(438,682)
79,985	1	....	79,986	26,694
....	....	....	(5)	....
....	(126)	....	(126)	....
1,020	236	124	(830)	1,859
101,205	(532)	1,395	(41,275)	(89,155)
(696)	(10,500)	(75)	(21,737)	(21,397)
(44,419)	(35,532)	(3,348)	(127,375)	(115,229)
15,957	19,575	52	63,287	47,017
....	....	....	(930)	(14,340)
(3,650)	(8,378)	....	(14,573)	(102,653)
....	1,155	....	1,950	107,430
(32,808)	(33,680)	(3,371)	(99,378)	(99,172)
903	8,906	798	332,529	301,505
....	1,476	....	4,441,098	3,459,682
....	(4,348)	....	(4,874,508)	(3,802,508)
903	6,034	798	(100,881)	(41,321)
(4,332)	9,589	11,508	(21,549)	22,354
18,027	85,491	5,037	164,534	141,783
$ 13,695	$ 95,080	$ 16,545	$ 142,985	$ 164,137

Interim 1989-1991 Biennium Combining Schedule of Revenues and Expenses
Budget and Actual
Enterprise Funds
For the Fiscal Year Ended June 30, 1990
(expressed in thousands)

	LIQUOR			WORKERS' COMPENSATION		
	ESTIMATED/ APPROVED BUDGET 1989-91 BIENNIUM	ACTUAL BIENNIUM-TO-DATE THROUGH 06-30-90	DIFFERENCE UNCOLLECTED/ UNSPENT THROUGH 06-30-90	ESTIMATED/ APPROVED BUDGET 1989-91 BIENNIUM	ACTUAL BIENNIUM-TO-DATE THROUGH 06-30-90	DIFFERENCE UNCOLLECTED/ UNSPENT THROUGH 06-30-90
OPERATING REVENUES:						
Sales	$ 450,108	$ 232,323	$ (217,785)	$	$..........	$...........
Charges for services	....	....	....	41	282	241
Insurance premiums	....	....	....	1,577,363	716,085	(861,278)
Lottery ticket proceeds	....	....	....	....	....	....
Miscellaneous revenues	59,665	30,736	(28,929)	6,287	5,078	(1,209)
Total Operating Revenues	509,773	263,059	(246,714)	1,583,691	721,445	(862,246)
EXPENSES:						
Allotted expenses	144,979	71,127	73,852	312,479	115,032	197,447
Nonallotted expenses (adjustments)	317,470	162,225	155,245	1,084,752	836,186	248,566
Total Expenses	462,449	233,352	229,097	1,397,231	951,218	446,013
Net Operating Revenues Over (Under) Expenses	47,324	29,707	(17,617)	186,460	(229,773)	(416,233)
NONOPERATING REVENUES:						
Other revenue (expense)	....	(165)	(165)	....	(145)	(145)
Interest income	1,833	984	(849)	2,679	319,866	317,187
Bond refunding gain (loss)	....	....	....	....	....	....
Total Nonoperating Revenues	1,833	819	(1,014)	2,679	319,721	317,042
Income (Loss) Before Operating Transfers	49,157	30,526	(18,631)	189,139	89,948	(99,191)
OPERATING TRANSFERS:						
Operating transfers in		109			104,321	
Operating transfers out		(32,439)			(95,024)	
Net Operating Transfers In (Out)	(67,881)	(32,330)	35,551	(8,803)	9,297	18,100
NET INCOME (LOSS)	$ (18,724)	$ (1,804)	$ 16,920	$ 180,336	$ 99,245	$ (81,091)

Continued

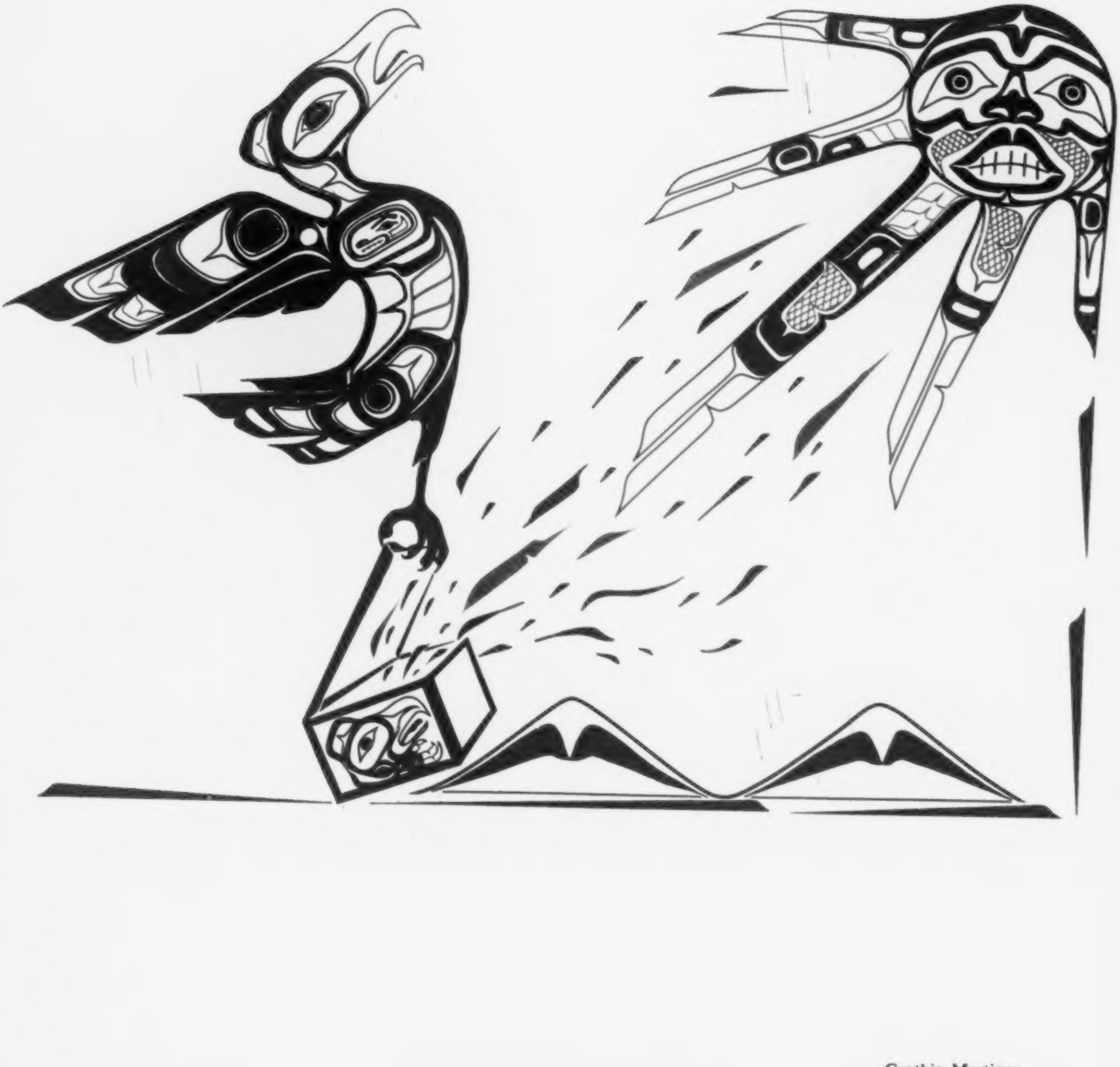
CONVENTION AND TRADE			LOTTERY			INSTITUTIONAL		
ESTIMATED/ APPROVED BUDGET 1989-91 BIENNIUM	ACTUAL BIENNIUM-TO-DATE THROUGH 06-30-90	DIFFERENCE UNCOLLECTED/ UNSPENT THROUGH 06-30-90	ESTIMATED/ APPROVED BUDGET 1989-91 BIENNIUM	ACTUAL BIENNIUM-TO-DATE THROUGH 06-30-90	DIFFERENCE UNCOLLECTED/ UNSPENT THROUGH 06-30-90	ESTIMATED/ APPROVED BUDGET 1989-91 BIENNIUM	ACTUAL BIENNIUM-TO-DATE THROUGH 06-30-90	DIFFERENCE UNCOLLECTED/ UNSPENT THROUGH 06-30-90
$..........	$..........	$............	$..........	$..........	$............	$ 25,500	$ 16,687	$ (8,813)
7,082	2,799	(4,283)	....	....	....	....	....	....
....	....	....	....	....	....	....	....	....
....	....	....	500,500	246,334	(254,166)	....	....	....
24,462	11,641	(12,821)	....	16	16	....	1,001	1,001
31,544	14,440	(17,104)	500,500	246,350	(254,150)	25,500	17,688	(7,812)
83,078	30,275	52,803	327,340	152,094	175,246	....	....	....
(19,680)	(7,709)	(11,971)	....	94	(94)	25,372	17,409	7,963
63,398	22,566	40,832	327,340	152,188	175,152	25,372	17,409	7,963
(31,854)	(8,126)	23,728	173,160	94,162	(78,998)	128	279	151
....	(512)	(512)	....	(38)	(38)	....	(1,350)	(1,350)
1,938	129	(1,809)	398	874	476	....	69	69
....	(930)	(930)	....	....	....	....	....	....
1,938	(1,313)	(3,251)	398	836	438	....	(1,281)	(1,281)
(29,916)	(9,439)	20,477	173,558	94,998	(78,560)	128	(1,002)	(1,130)
	....			23,339			759	
	....			(116,610)			(1,033)	
(19)	....	19	(195,918)	(93,271)	102,647	....	(274)	(274)
$ (29,935)	$ (9,439)	$ 20,496	$ (22,360)	$ 1,727	$ 24,087	$ 128	$ (1,276)	$ (1,404)

STATE OF WASHINGTON

Interim 1989-1991 Biennium Combining Schedule of Revenues and Expenses
Budget and Actual
Enterprise Funds
For the Fiscal Year Ended June 30, 1990
(expressed in thousands)

	STATE FERRY AND TOLL			STUDENT SERVICES		
	ESTIMATED/ APPROVED BUDGET 1989-91 BIENNIUM	ACTUAL BIENNIUM-TO-DATE THROUGH 06-30-90	DIFFERENCE UNCOLLECTED/ UNSPENT THROUGH 06-30-90	ESTIMATED/ APPROVED BUDGET 1989-91 BIENNIUM	ACTUAL BIENNIUM-TO-DATE THROUGH 06-30-90	DIFFERENCE UNCOLLECTED/ UNSPENT THROUGH 06-30-90
OPERATING REVENUES:						
Sales	$..........	$..........	$..........	$ 107,050	$ 54,337	$ (52,713)
Charges for services	127,000	63,177	(63,823)	296,430	267,980	(28,450)
Insurance premiums	....	....	....	....	....	....
Lottery ticket proceeds	....	....	....	....	....	....
Miscellaneous revenues	....	69	69	85,421	44,667	(40,754)
Total Operating Revenues	127,000	63,246	(63,754)	488,901	366,984	(121,917)
EXPENSES:						
Allotted expenses	179,259	82,154	97,105	288,690	142,094	146,596
Nonallotted expenses (adjustments)	26,417	12,343	14,074	469,691	214,407	255,284
Total Expenses	205,676	94,497	111,179	758,381	356,501	401,880
Net Operating Revenues Over (Under) Expenses	(78,676)	(31,251)	47,425	(269,480)	10,483	279,963
NONOPERATING REVENUES:						
Other revenue (expense)	....	1,020	1,020	....	236	236
Interest income	....	903	903	3,000	8,906	5,906
Bond refunding gain (loss)	....	....	....	....	....	....
Total Nonoperating Revenues	....	1,923	1,923	3,000	9,142	6,142
Income (Loss) Before Operating Transfers	(78,676)	(29,328)	49,348	(266,480)	19,625	286,105
OPERATING TRANSFERS:						
Operating transfers in		120,855			23,074	
Operating transfers out		(100,655)			(23,717)	
Net Operating Transfers In (Out)	169,534	20,200	(149,334)	....	(643)	(643)
NET INCOME (LOSS)	$ 90,858	$ (9,128)	$ (99,986)	$ (266,480)	$ 18,982	$ 285,462

OTHER ACTIVITIES			TOTALS		
ESTIMATED/ APPROVED BUDGET 1989-91 BIENNIUM	ACTUAL BIENNIUM-TO-DATE THROUGH 06-30-90	DIFFERENCE UNCOLLECTED/ UNSPENT THROUGH 06-30-90	ESTIMATED/ APPROVED BUDGET 1989-91 BIENNIUM	ACTUAL BIENNIUM-TO-DATE THROUGH 06-30-90	DIFFERENCE UNCOLLECTED/ UNSPENT THROUGH 06-30-90
$ 171	$ 3,976	$ 3,805	$ 582,829	$ 307,323	$ (275,506)
14,442	1,068	(13,374)	444,995	335,306	(109,689)
....	....	....	1,577,363	716,085	(861,278)
....	....	....	500,500	246,334	(254,166)
28,281	15,286	(12,995)	204,116	108,494	(95,622)
42,894	20,330	(22,564)	3,309,803	1,713,542	(1,596,261)
15,779	5,497	10,282	1,351,604	598,273	753,331
9,215	4,066	5,149	1,913,237	1,239,021	674,216
24,994	9,563	15,431	3,264,841	1,837,294	1,427,547
17,900	10,767	(7,133)	44,962	(123,752)	(168,714)
....	124	124	....	(830)	(830)
91	798	707	9,939	332,529	322,590
....	....	....	....	(930)	(930)
91	922	831	9,939	330,769	320,830
17,991	11,689	(6,302)	54,901	207,017	152,116
	1,369			273,826	
	(98)			(369,576)	
5,257	1,271	(3,986)	(97,830)	(95,750)	2,080
$ 23,248	$ 12,960	$ (10,288)	$ (42,929)	$ 111,267	$ 154,196



Cynthia Martinez

The Legend of the Sun Box

This legend tells the story how Crow was able to get the "Sun Box" from Eagle through trickery. Eagle was the keeper of the sun, which he kept in a box and would only let out for brief moments. One day as Eagle was lighting on a tree, he got a thorn in his talon, and cried out for someone to help him. Crow, who was a doctor, offered to remove the thorn and convinced Eagle he could not work in darkness and needed the sun's light to help him. Just at that moment, Crow snatched the box from Eagle, flew off with it into the sky, and cast the box onto the rocks far below. Sunlight burst free from its box and filled the world for all to share.

INTERNAL SERVICE FUNDS

Internal Service Funds account for state activities that provide goods and services to other state departments or agencies on a cost-reimbursement basis. A brief description of each fund follows:

The **Central Services Fund** accounts for the cost of providing the following services to state agencies: (1) Legal services, (2) Operation and management of real estate, (3) Facilities and related services, (4) Auditing of state and local governmental units, (5) Administration of the state civil service law, (6) Administrative hearings, and (7) Archives and records management.

The **Central Stores Fund** accounts for the purchase and subsequent sale or rental to state agencies, of supplies, equipment, and services through central stores; it also accounts for the costs to operate central stores.

The **Equipment Revolving Fund** accounts for the purchase, repair, maintenance, and replacement of equipment, machinery, supplies, and vehicles used for the following activities: (1) Administration, maintenance, and construction of highways and highway facilities, and (2) Management of public and private lands.

The **Data Processing Revolving Fund** accounts for distribution and apportionment of the full cost of data processing and data communication services to other state agencies, and for the payment of other costs incidental to the acquisition, operation, and administration of acquired data processing services, supplies, and equipment.

The **Printing Services Fund** accounts for the operation of the state printing plant.

INTERNAL SERVICE FUNDS

Continued

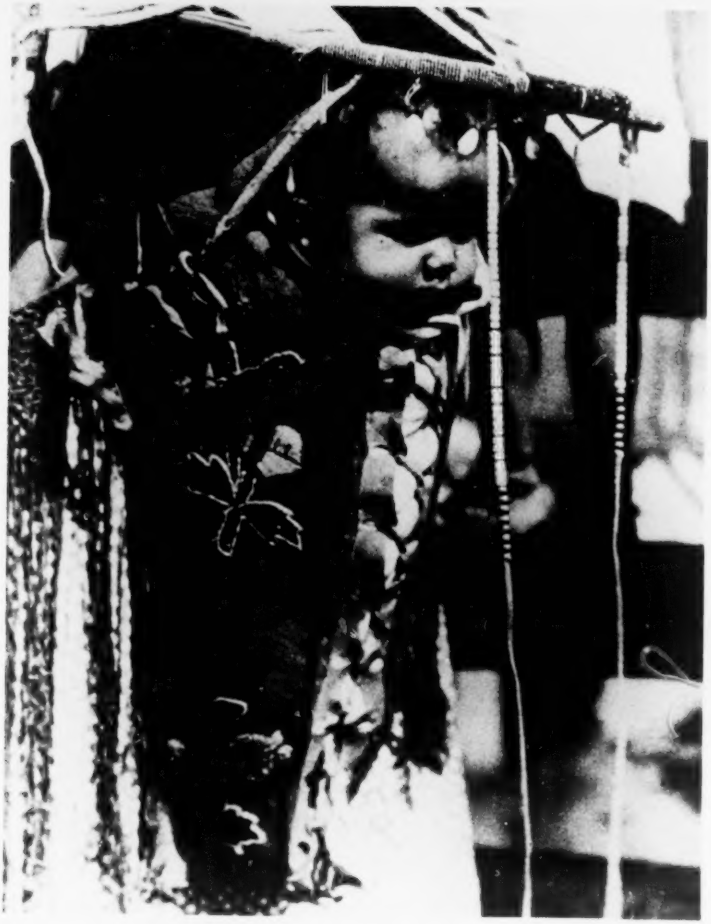
The **Motor Transport Fund** accounts for operations of the state motor pool, including the cost of replacing vehicles.

The **State Employees' Insurance Fund** accounts for payment of premiums for employees' insurance benefit contracts.

The **Risk Management Fund** accounts for the administration of liability, property and vehicle claims, including investigation, claim processing, negotiation and settlement, and other expenses relating to settlements and judgments against the state not otherwise budgeted; and the purchase of liability and property insurance, including catastrophic insurance.

The **Higher Education Revolving Fund** accounts for stores, data processing, educational, operational printing and duplication, motor pool, and other support service activities at colleges and universities.

The **Other Services Fund** accounts for the acquisition of federal surplus properties and food for resale or donation to eligible parties.



University of Washington Library

Skinwork and Beadwork

One important product of the hunt was soft-tanned buckskin, which women made into garments and many other useful objects. Native children of the Plateau were introduced to buckskin as babies, for it kept them safely and snugly attached to their cradleboards. This material also provided tough footwear essential for older children and adults.

Various types of containers were made either of tanned leather or of rawhide. Skinwork of all kinds was decorated in a variety of ways. Rawhide quivers, parfleches, and pouches were painted with geometric designs. Objects made of tanned leather were decorated with porcupine quills, glass trade beads, and embroidery thread sewn in either geometric or floral patterns. Even a hunter's gun case became a work of art with the addition at each end of colored wool trade cloth with beaded panels.

One can learn about a People from their arts.
Our People speak out of an Oral Tradition,
In which the beauty of the spoken work
Has a poetry of its own.
Our designs are used to decorate a useful object,
Not displayed for their own sake.
Our music springs from the beat of the dance,
Our hearts oblige us to do.

Yakima Nation Museum - Yakima Indian Nation

Combining Balance Sheet
Internal Service Funds
June 30, 1990
(expressed in thousands)

	CENTRAL SERVICES	CENTRAL STORES	EQUIPMENT REVOLVING	DATA PROCESS. REVOLVING	PRINTING SERVICES
ASSETS:					
CURRENT ASSETS:					
Cash and pooled investments	$ 8,198	$ 2,991	$ 18,844	$ 14,839	$ 1,906
Other receivables (net of allowance)	46	69	354	98	1
Due from other funds	3,454	1,538	6,376	15,398	3,103
Due from other governments	1,543	74	3	1,362	4
Inventories	79	2,479	2,960	2,489	4,093
Prepaid expenses	....	31	....	198	17
Total Current Assets	13,320	7,182	28,537	34,384	9,124
OTHER ASSETS:					
Investments, noncurrent	....	....	....	....	1,775
Other nonfixed assets	....	....	....	....	....
Total Other Assets	....	....	....	....	1,775
FIXED ASSETS:					
Land	1,246	6	....	....	....
Buildings	14,648	95	19	....	....
Other improvements and miscellaneous	....	....	....	5,508	244
Furnishings and equipment	8,378	1,286	156,252	70,796	6,851
Accumulated depreciation	(9,392)	(1,082)	(79,034)	(47,266)	(2,853)
Total Fixed Assets	14,880	305	77,237	29,038	4,242
Total Assets	$ 28,200	$ 7,487	$ 105,774	$ 63,422	$ 15,141
LIABILITIES AND FUND EQUITY:					
CURRENT LIABILITIES:					
Accounts payable	$ 1,311	$ 774	$ 3,143	$ 8,401	$ 1,297
Contracts and retainages payable	310	7	35	7	....
Accrued liabilities	5,098	352	1,725	2,253	424
Due to other funds	1,257	445	560	1,738	16
Due to other governments	42	13	....	....	....
Deferred revenues	984	72	....	21	3,515
Total Current Liabilities	9,002	1,663	5,463	12,420	5,252
LONG-TERM LIABILITIES:					
Other long-term obligations	930	45	....	....	279
Total Long-Term Liabilities	930	45	....	....	279
Total Liabilities	9,932	1,708	5,463	12,420	5,531
FUND EQUITY:					
Contributed capital	9,811	416	19,767	461	....
Retained earnings:					
Unreserved	8,457	5,363	80,544	50,541	9,610
Total Fund Equity	18,268	5,779	100,311	51,002	9,610
Total Liabilities and Fund Equity	$ 28,200	$ 7,487	$ 105,774	$ 63,422	$ 15,141

					TOTALS	
MOTOR TRANSPORT	STATE EMP. INSURANCE	RISK MANAGEMENT	HIGHER EDUC. REVOLVING	OTHER SERVICES	JUNE 30, 1990	JUNE 30, 1989
$ 2,439	$ 47,409	$ (1,306)	$ 9,666	$ 275	$ 105,261	$ 98,955
13	73	....	1,418	63	2,135	2,189
1,308	27,063	3,069	1,185	28	62,522	68,128
1	4,551	4,187	128	36	11,889	6,530
22	....	....	11,522	857	24,501	20,999
....	....	....	....	....	246	23
3,783	79,096	5,950	23,919	1,259	206,554	196,824
....	....	....	....	....	1,775	2,000
....	....	....	....	....	....	640
....	....	....	....	....	1,775	2,640
....	....	....	....	....	1,252	1,252
17	....	....	305	....	15,084	15,053
....	....	....	7	....	5,759	4,711
12,892	199	....	49,388	50	306,092	272,035
(5,983)	(22)	....	(31,367)	(26)	(177,025)	(158,301)
6,926	177	....	18,333	24	151,162	134,750
$ 10,709	$ 79,273	$ 5,950	$ 42,252	$ 1,283	$ 359,491	$ 334,214
$ 151	$ 66	$.........	$ 4,473	$ 16	$ 19,632	$ 16,770
....	3,898	....	2,116	....	6,373	5,968
72	23,252	....	3,125	34	36,335	33,501
46	23,267	....	1,756	3	29,088	40,225
1	47	....	....	....	103	135
246	....	693	173	830	6,534	5,080
516	50,530	693	11,643	883	98,065	101,679
....	....	....	3,635	....	4,889	6,645
....	....	....	3,635	....	4,889	6,645
516	50,530	693	15,278	883	102,954	108,324
....	....	....	815	100	31,370	31,495
10,193	28,743	5,257	26,159	300	225,167	194,3[illegible]5
10,193	28,743	5,257	26,974	400	256,537	225,890
$ 10,709	$ 79,273	$ 5,950	$ 42,252	$ 1,283	$ 359,491	$ 334,214

Combining Statement of Revenues, Expenses, and Changes in Fund Equity
Internal Service Funds
For the Fiscal Year Ended June 30, 1990
(expressed in thousands)

	CENTRAL SERVICES	CENTRAL STORES	EQUIPMENT REVOLVING	DATA PROCESS. REVOLVING	PRINTING SERVICES
OPERATING REVENUES:					
Sales	$	$ 13,133	$ 2,681	$ 10,247	$ 29,276
Less: Cost of goods sold		8,731	914	9,763	27,910
Gross profit		4,402	1,767	484	1,366
Charges for services	75,722	4,598	50,985	86,687	
Insurance premiums					
Miscellaneous revenue	6,713		52		
Total Operating Revenues	82,435	9,000	52,804	87,171	1,366
OPERATING EXPENSES:					
Salaries and wages	41,648	2,767	13,172	17,875	
Employee benefits	9,568	736	3,324	4,184	
Personal services	1,947	68	1,359	7,324	
Goods and services	19,947	4,338	17,077	40,239	8
Travel	1,417	17	66	291	
Insurance benefit payments					
Depreciation	1,043	189	13,724	11,163	563
Miscellaneous expenses	924	36	494	1,036	
Total Operating Expenses	76,494	8,151	49,216	82,112	571
Operating Income (Loss)	5,941	849	3,588	5,059	795
NONOPERATING REVENUES (EXPENSES):					
Other revenue (expenses)	639	185	104	(893)	(110)
Interest income	607	192	1,484	4,597	211
Interest expense	(143)	(2)	(1)	(1)	
Total Nonoperating Revenues (Expenses)	1,103	375	1,587	3,703	101
Income (Loss) Before Operating Transfers	7,044	1,224	5,175	8,762	896
OPERATING TRANSFERS:					
Operating transfers in				366	
Operating transfers out	(2,119)			(3,543)	
Net Operating Transfers In (Out)	(2,119)			(3,177)	
NET INCOME (LOSS)	4,925	1,224	5,175	5,585	896
FUND EQUITY:					
Fund equity as restated, July 1	12,096	4,555	94,487	51,552	8,714
Residual equity transfers in	14				
Residual equity transfers out				(3,712)	
Contributions of capital	1,233		649		
Return of contributed capital				(2,423)	
Fund Equity, June 30	$ 18,268	$ 5,779	$ 100,311	$ 51,002	$ 9,610

MOTOR TRANSPORT	STATE EMP. INSURANCE	RISK MANAGEMENT	HIGHER EDUC. REVOLVING	OTHER SERVICES	TOTALS FOR THE YEAR ENDED JUNE 30, 1990	JUNE 30, 1989
$............	$............	$............	46,449	$............	$ 101,786	$ 89,138
....	....	....	35,794	....	83,112	75,862
....	....	....	10,655	....	18,674	13,276
5,984	....	....	74,129	861	298,966	280,159
....	268,591	....	....	....	268,591	249,649
....	....	8,169	864	3,150	18,948	11,094
5,984	268,591	8,169	85,648	4,011	605,179	554,178
564	1,020	....	27,893	282	105,221	95,593
145	258	....	6,875	78	25,168	21,536
14	523	....	59	4	11,298	7,232
2,258	1,038	11,526	41,115	476	138,022	122,846
10	18	....	545	10	2,374	2,325
....	261,199	....	....	....	261,199	235,577
2,088	18	....	7,738	10	36,536	32,322
5	67	....	1,388	3,150	7,100	10,563
5,084	264,141	11,526	85,613	4,010	586,918	527,994
900	4,450	(3,357)	35	1	18,261	26,184
210	(1,524)	....	(1,227)	22	(2,594)	(811)
....	3,873	1	604	....	11,569	5,006
....	....	....	(187)	....	(334)	(546)
210	2,349	1	(810)	22	8,641	3,649
1,110	6,799	(3,356)	(775)	23	26,902	29,833
....	1,750	3,324	20,050	....	25,490	3,699
(19)	(1,750)	....	(19,063)	....	(26,494)	(8,083)
(19)	....	3,324	987	....	(1,004)	(4,384)
1,091	6,799	(32)	212	23	25,898	25,449
9,102	21,944	5,289	22,607	377	230,723	205,738
....	....	....	3,739	....	3,753	....
....	....	....	....	....	(3,712)	(1,619)
....	....	....	416	....	2,298	810
....	....	....	....	....	(2,423)	(4,488)
$ 10,193	$ 28,743	$ 5,257	26,974	$ 400	$ [illegible]6,537	$ 225,890

Combining Statement of Cash Flows
All Internal Service Fund Types
For the Fiscal Year Ended June 30, 1990
(expressed in thousands)

	CENTRAL SERVICES	CENTRAL STORES	EQUIPMENT REVOLVING	DATA PROCESS. REVOLVING	PRINTING SERVICES
CASH FLOWS FROM OPERATING ACTIVITIES:					
OPERATING INCOME (LOSS)	$ 5,941	$ 849	$ 3,588	$ 5,059	$ 795
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATIONS:					
Depreciation	1,043	189	13,724	11,163	563
CHANGE IN ASSETS: DECREASE (INCREASE)					
Receivables (net of allowance)	8	(16)	(145)	187	(1)
Due from other funds	(709)	(548)	1,541	(1,462)	108
Due from other governments	(268)	(2)		(214)	(4)
Inventories	78	(255)	(148)	(828)	(1,086)
Prepaid expenses	1	(24)		(184)	(16)
Other nonfixed assets				640	
CHANGE IN LIABILITIES: INCREASE (DECREASE)					
Accounts payable	63	53	1,906	1,644	(325)
Contracts and retainages payable	(1,223)	7	(45)	(1,249)	
Accrued liabilities	447	13	93	33	30
Due to other funds	(335)	171	221	(7)	4
Due to other governments	(35)	4			
Deferred revenues	45	(268)		(23)	1,276
Other long-term obligations	(379)	45		(1,894)	222
Net Cash or Cash Equivalents Provided By (Used In) Operating Activities	4,677	218	20,735	12,865	1,566
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:					
Operating transfers in				366	
Operating transfers out	(2,119)			(3,543)	
Contributions of capital	1,233		649		
Return of contributed capital				(2,423)	
Fund equity transfers in (out)	14			(3,712)	
Other revenue (expenses)	639	185	104	(893)	(110)
Net Cash or Cash Equivalents Provided By (Used In) Noncapital Financing Activities	(233)	185	753	(10,205)	(110)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:					
Payments for interest	(144)	(2)	(1)	(1)	
Acquisitions of fixed assets	(2,682)	(296)	(24,323)	(19,863)	(1,277)
Proceeds from sale of fixed assets	1,274	200	843	7,950	200
Net Cash or Cash Equivalents Provided By (Used In) Capital and Related Financing Activities	(1,552)	(98)	(23,481)	(11,914)	(1,077)
CASH FLOWS FROM INVESTING ACTIVITIES:					
Receipt of interest	607	192	1,484	4,597	211
Proceeds from sale of investment securities					1,325
Purchases of investment securities					(1,100)
Net Cash Provided By (Used In) Investing Activities	607	192	1,484	4,597	436
NET INCR. (DECR.) IN CASH AND POOLED INVESTMENTS	3,499	497	(509)	(4,657)	815
CASH AND POOLED INVESTMENTS AT JULY 1, 1989	4,699	2,494	19,353	19,496	1,091
CASH AND POOLED INVESTMENTS AT JUNE 30, 1990	$ 8,198	$ 2,991	$ 18,844	$ 14,839	$ 1,906

					TOTALS FOR THE YEAR ENDED	
MOTOR TRANSPORT	STATE EMP. INSURANCE	RISK MANAGEMENT	HIGHER EDUC. REVOLVING	OTHER SERVICES	JUNE 30, 1990	JUNE 30, 1989
$ 900	$ 4,450	$ (3,357)	$ 35	$ 1	$ 18,261	$ 26,184
2,088	18	....	7,738	10	36,536	32,322
6	96	....	(96)	11	50	(750)
(458)	10,353	(2,028)	(226)	54	6,625	(27,579)
....	(651)	(4,187)	(30)	(3)	(5,359)	1,317
8	....	....	(1,816)	545	(3,502)	(1,504)
....	....	....	....	....	(223)	187
....	....	....	....	....	640	444
41	(705)	....	182	3	2,862	1,886
....	2,827	....	88	....	405	(550)
(3)	1,931	(431)	319	(13)	2,419	21,664
11	(11,506)	....	322	(22)	(11,141)	25,605
1	(2)	....	....	....	(32)	87
109	....	693	173	(551)	1,454	1,847
....	....	....	250	....	(1,756)	(1,493)
2,703	6,811	(9,310)	6,939	35	47,239	79,667
....	1,750	3,324	20,050	....	25,490	3,699
(19)	(1,750)	....	(19,063)	....	(26,494)	(8,083)
....	....	....	416	....	2,298	810
....	....	....	....	....	(2,423)	(4,488)
....	....	....	3,739	....	41	(1,619)
210	(1,524)	....	(1,227)	22	(2,594)	(811)
191	(1,524)	3,324	3,915	22	(3,682)	(10,492)
....	....	....	(187)	....	(335)	(546)
(2,834)	(102)	....	(15,268)	....	(66,645)	(50,974)
346	26	....	2,815	....	13,654	20,063
(2,488)	(76)	....	(12,640)	....	(53,326)	(31,457)
....	3,873	1	604	....	11,569	5,008
....	....	....	....	....	1,325	349
....	....	....	....	....	(1,100)	(351)
....	3,873	1	604	....	11,794	5,006
406	9,084	(5,985)	(1,182)	57	2,025	42,724
2,033	38,325	4,679	10,848	218	103,236	56,231
$ 2,439	$ 47,409	$ (1,306)	$ 9,666	$ 275	$ 105,261	$ 98,955

Interim 1989-1991 Biennium Combining Schedule of Revenues and Expenses
Budget and Actual
Internal Service Funds
For the Fiscal Year Ended June 30, 1990
(expressed in thousands)

	CENTRAL SERVICES			CENTRAL STORES		
	ESTIMATED/ APPROVED BUDGET 1989-91 BIENNIUM	ACTUAL BIENNIUM-TO-DATE THROUGH 06-30-90	DIFFERENCE UNCOLLECTED/ UNSPENT THROUGH 06-30-90	ESTIMATED/ APPROVED BUDGET 1989-91 BIENNIUM	ACTUAL BIENNIUM-TO-DATE THROUGH 06-30-90	DIFFERENCE UNCOLLECTED/ UNSPENT THROUGH 06-30-90
OPERATING REVENUES:						
Sales	$..........	$..........	$............	$ 26,647	$ 13,133	$ (13,514)
Charges for services	157,870	75,722	(82,148)	3,658	4,598	940
Insurance premiums	....	....	....	....	....	....
Miscellaneous revenues	14,802	6,713	(8,089)	....	....	....
Total Operating Revenues	172,672	82,435	(90,237)	30,305	17,731	(12,574)
EXPENSES:						
Allotted expenses	168,744	74,267	94,477	39,305	8,082	31,223
Nonallotted expenses (adjustments)	4,927	2,370	2,557	....	8,802	(8,802)
Total Expenses	173,671	76,637	97,034	39,305	16,884	22,421
Net Operating Revenues Over (Under) Expenses	(999)	5,798	6,797	(9,000)	847	9,847
NONOPERATING REVENUES:						
Other revenue (expense)	....	639	639	....	185	185
Interest income	873	607	(266)	97	192	95
Total Nonoperating Revenues	873	1,246	373	97	377	280
Income (Loss) Before Operating Transfers	(126)	7,044	7,170	(8,903)	1,224	10,127
OPERATING TRANSFERS:						
Operating transfers in					....	
Operating transfers out		(2,119)			....	
Net Operating Transfers In (Out)	(8,214)	(2,119)	6,095	....	....	....
NET INCOME (LOSS)	$ (8,340)	$ 4,925	$ 13,265	$ (8,903)	$ 1,224	$ 10,127

Continued

EQUIPMENT REVOLVING			DATA PROCESSING REVOLVING			PRINTING SERVICES		
ESTIMATED/ APPROVED BUDGET 1989-91 BIENNIUM	ACTUAL BIENNIUM-TO-DATE THROUGH 06-30-90	DIFFERENCE UNCOLLECTED/ UNSPENT THROUGH 06-30-90	ESTIMATED/ APPROVED BUDGET 1989-91 BIENNIUM	ACTUAL BIENNIUM-TO-DATE THROUGH 06-30-90	DIFFERENCE UNCOLLECTED/ UNSPENT THROUGH 06-30-90	ESTIMATED/ APPROVED BUDGET 1989-91 BIENNIUM	ACTUAL BIENNIUM-TO-DATE THROUGH 06-30-90	DIFFERENCE UNCOLLECTED/ UNSPENT THROUGH 06-30-90
$ 37,478	$ 2,681	$ (34,797)	$ 18,570	$ 10,247	$ (8,323)	$ 57,600	$ 29,276	$ (28,324)
54,908	50,985	(3,923)	184,169	86,687	(97,482)	....	....	....
....	....	....	....	....	....	....	....	....
6	52	46	....	....	....	....	....	....
92,392	53,718	(38,674)	202,739	96,934	(105,805)	57,600	29,276	(28,324)
98,821	49,371	49,450	191,824	90,142	101,682	....	....	....
1,521	760	761	3,825	1,734	2,091	55,260	28,270	26,990
100,342	50,131	50,211	195,649	91,876	103,773	55,260	28,270	26,990
(7,950)	3,587	11,537	7,090	5,058	(2,032)	2,340	1,006	(1,334)
76	104	28	....	(893)	(893)	....	(110)	(110)
....	1,484	1,484	2,571	4,597	2,026	....	....	....
76	1,588	1,512	2,571	3,704	1,133	....	(110)	(110)
(7,874)	5,175	13,049	9,661	8,762	(899)	2,340	896	(1,444)
	....			366			....	
	....			(3,543)			....	
....	....	....	(2,594)	(3,177)	(583)	....	....	....
$ (7,874)	$ 5,175	$ 13,049	$ 7,067	$ 5,585	$ (1,482)	$ 2,340	$ 896	$ (1,444)

Interim 1989-1991 Biennium Combining Schedule of Revenues and Expenses
Budget and Actual
Internal Service Funds
For the Fiscal Year Ended June 30, 1990
(expressed in thousands)

	MOTOR TRANSPORT			STATE EMPLOYEES' INSURANCE		
	ESTIMATED/ APPROVED BUDGET 1989-91 BIENNIUM	ACTUAL BIENNIUM-TO-DATE THROUGH 06-30-90	UNSPENT THROUGH 06-30-90	ESTIMATED/ APPROVED BUDGET 1989-91 BIENNIUM	ACTUAL BIENNIUM-TO-DATE THROUGH 06-30-90	UNSPENT THROUGH 06-30-90
OPERATING REVENUES:						
Sales	$..........	$..........	$............	$..........	$..........	$............
Charges for services	11,402	5,984	(5,418)	....	....	....
Insurance premiums	....	....	....	587,000	268,591	(318,409)
Miscellaneous revenues	....	....	....	....	....	....
Total Operating Revenues	11,402	5,984	(5,418)	587,000	268,591	(318,409)
EXPENSES:						
Allotted expenses	10,974	5,437	5,537	7,068	3,007	4,061
Nonallotted expenses (adjustments)	....	(353)	353	587,000	261,134	325,866
Total Expenses	10,974	5,084	5,890	594,068	264,141	329,927
Net Operating Revenues Over (Under) Expenses	428	900	472	(7,068)	4,450	11,518
NONOPERATING REVENUES:						
Other revenue (expense)	....	210	210	....	(1,524)	(1,524)
Interest income	....	....	....	6	3,873	3,867
Total Nonoperating Revenues	....	210	210	6	2,349	2,343
Income (Loss) Before Operating Transfers	428	1,110	682	(7,062)	6,799	13,861
OPERATING TRANSFERS:						
Operating transfers in		....			1,750	
Operating transfers out		(19)			(1,750)	
Net Operating Transfers In (Out)	(73)	(19)	54	6,197	....	(6,197)
NET INCOME (LOSS)	$ 355	$ 1,091	$ 736	$ (865)	$ 6,799	$ 7,664

Continued

RISK MANAGEMENT			HIGHER EDUCATION REVOLVING			OTHER SERVICES		
ESTIMATED/ APPROVED BUDGET 1989-91 BIENNIUM	ACTUAL BIENNIUM-TO-DATE THROUGH 06-30-90	UNSPENT THROUGH 06-30-90	ESTIMATED/ APPROVED BUDGET 1989-91 BIENNIUM	ACTUAL BIENNIUM-TO-DATE THROUGH 06-30-90	UNSPENT THROUGH 06-30-90	ESTIMATED/ APPROVED BUDGET 1989-91 BIENNIUM	ACTUAL BIENNIUM-TO-DATE THROUGH 06-30-90	UNSPENT THROUGH 06-30-90
$..........	....	$............	$ 88,759	$ 46,449	$ (42,310)	$..........	$..........	$............
....	....	....	24,271	74,129	49,858	1,791	861	(930)
....	....	....	....	....	....	....	....	....
16,920	8,169	(8,751)	559	864	305	....	3,150	3,150
16,920	8,169	(8,751)	113,589	121,442	7,853	1,791	4,011	2,220
....	....	....	20,635	13,787	6,848	1,581	850	731
24,353	11,526	12,827	202,660	107,807	94,853	....	3,160	(3,160)
24,353	11,526	12,827	223,295	121,594	101,701	1,581	4,010	(2,429)
(7,433)	(3,357)	4,076	(109,706)	(152)	109,554	210	1	(209)
....	....	....	....	(1,227)	(1,227)	....	22	22
....	1	1	40	604	564	22	....	(22)
....	1	1	40	(623)	(663)	22	22	....
(7,433)	(3,356)	4,077	(109,666)	(775)	108,891	232	23	(209)
	3,324			20,050			....	
	....			(19,063)			....	
15,353	3,324	(12,029)	....	987	987	....	....	....
$ 7,920	(32)	$ (7,952)	$ (109,666)	$ 212	$ 109,878	$ 232	$ 23	$ (209)

Interim 1989-1991 Biennium Combining Schedule of Revenues and Expenses *Concluded*
Budget and Actual
Internal Service Funds
For the Fiscal Year Ended June 30, 1990
(expressed in thousands)

	TOTALS		
	ESTIMATED/ APPROVED BUDGET 1989-91 BIENNIUM	ACTUAL BIENNIUM-TO-DATE THROUGH 06-30-90	UNSPENT THROUGH 06-30-90
OPERATING REVENUES:			
Sales	$ 229,054	$ 101,786	$ (127,268)
Charges for services	438,069	298,966	(139,103)
Insurance premiums	587,000	268,591	(318,409)
Miscellaneous revenues	32,287	18,948	(13,339)
Total Operating Revenues	1,286,410	688,291	(598,119)
EXPENSES:			
Allotted expenses	538,952	244,943	294,009
Nonallotted expenses (adjustments)	879,546	425,210	454,336
Total Expenses	1,418,498	670,153	748,345
Net Operating Revenues Over (Under) Expenses	(132,088)	18,138	150,226
NONOPERATING REVENUES:			
Other revenue (expense)	76	(2,594)	(2,670)
Interest income	3,609	11,358	7,749
Total Nonoperating Revenues	3,685	8,764	5,079
Income (Loss) Before Operating Transfers	(128,403)	26,902	155,305
OPERATING TRANSFERS:			
Operating transfers in		25,490	
Operating transfers out		(26,494)	
Net Operating Transfers In (Out)	10,669	(1,004)	(11,673)
NET INCOME (LOSS)	$ (117,734)	$ 25,898	$ 143,632

TRUST AND AGENCY FUNDS

EXPENDABLE TRUST FUNDS

Expendable Trust Funds account for assets held by the state in a trustee capacity where the principal and income may be expended in the course of the funds' designated operations. A brief description of each fund follows:

The **Human Services Trust Fund** accounts for the following: (1) The deposit of funds requisitioned from the Federal Unemployment Trust Fund and for the payment of unemployment benefits; (2) Additional payments to survivors of deceased injured workers priorly receiving pensions, and to totally disabled workers; (3) The residents' share of financial support for the Veterans' Home and Soldiers' Home; and (4) Surcharges assessed on all telephone lines to provide telephone service to low-income and physically impaired individuals.

The **Higher Education Trust Fund** accounts for college and university gifts in the support of fellowships and scholarships.

The **Miscellaneous Trust Fund** accounts for the administration of abandoned property laws and for claims against the state arising out of tortious conduct for whom the defense of claims was authorized under legislative statute.

NONEXPENDABLE TRUST FUNDS

Nonexpendable Trust Funds account for assets held by the state in a trustee capacity where only income derived from the trust principal may be expended for designated operations. The principal must be preserved intact. A brief description of each fund follows:

The **Higher Education Endowment Fund** accounts for the principal derived from the sale of timber, and for gifts and bequests which the donors have specified must remain intact. Interest earned is used for the benefit of certain colleges and universities.

The **Common School Permanent Fund** accounts for the principal derived from the sale of timber. Interest earned is used for the benefit of the common schools.

PENSION TRUST FUNDS

Pension Trust Funds account for transactions, assets, liabilities, and net assets available for plan benefits of the various state public employee retirement systems. See Note 6, Retirement Systems, for a description of the individual Pension Trust Funds.

AGENCY FUNDS

Agency Funds account for the receipt and disbursement of various taxes, deposits, deductions, and property collected by the state, acting in the capacity of an agent, for distribution to other governmental units or other organizations. A brief description of each of Washington's Agency Funds follows:

The **Clearing Fund** is used as a clearing account primarily for processing payrolls. This fund is also used for other activities such as the following: (1) Collection and disbursement of child support payments for clients, (2) Processing payments for goods and services purchased, (3) Collection and distribution of a portion of motor vehicle excise taxes to local governments and transit districts for public transportation systems, and (4) Collection and payment of employer and employee O.A.S.I. contributions.

The **Suspense Fund** is used to account for the following: (1) Third parties' monies for which final disposition is not yet known, (2) State revenues received without a statement designating source and fund, and (3) State timber sales bid deposits where final disposition is pending.

The **Local Government Distributions Fund** is used to account for the receipt and allocation of local sales and use taxes, and leasehold taxes imposed by local governments.

The **Deferred Compensation Fund** is used to account for the amount of compensation deferred by state employees and employees of other political subdivisions electing to participate in a deferred compensation plan in accordance with Internal Revenue Code Section 457.

The **Pooled Investments Fund** is used for pooling and investing surplus public funds, and the accumulation and allocation of interest earned among the various accounts and funds from which such investments and investment deposits were made.

STATE OF WASHINGTON

Combining Balance Sheet
Trust and Agency Funds
June 30, 1990
(expressed in thousands)

	EXPENDABLE TRUST			NONEXPENDABLE TRUST	
	HUMAN SERVICES TRUST	HIGHER EDUCATION TRUST	MISCELLANEOUS TRUST	HIGHER EDUCATION ENDOWMENT	COMMON SCHOOL PERMANENT
ASSETS:					
Cash and pooled investments	$1,490,308	$ 36,768	$ 18,735	$ 23,142	$ 19
Other receivables (net of allowance)	59,544	85,635	9,711	16,751	2,304
Due from other funds	9,091	8,148	1,182	57	....
Due from other governments	6,294	582	10,658	....	....
Inventories	44	....	196	....	....
Total Current Assets	1,565,281	131,133	40,482	39,950	2,323
OTHER ASSETS:					
Investments, noncurrent	106,110	26,651	745	501,265	114,042
Other nonfixed assets	....	....	....	18,981	234
Total Other Assets	106,110	26,651	745	520,246	114,276
Total Assets	$1,671,391	$ 157,784	$ 41,227	$ 560,196	$ 116,599
LIABILITIES AND FUND EQUITY:					
LIABILITIES:					
Accounts payable	$ 464	$ 460	$ 22	$..........	$..........
Contracts and retainages payable	....	24	....	2,985	....
Accrued liabilities	230	3,738	80	17,392	....
Due to other funds	1,276	2,087	207	6,747	1,980
Due to other governments	504	30	....	....	....
Deferred revenues	322	109	18,792	26,800	234
Current workers' comp benefits payable	119,000	....	....	....	....
Other long-term obligations	....	....	....	6,552	....
Total Liabilities	121,796	6,448	19,101	60,476	2,214
FUND EQUITY:					
Unrealized gain on investments	....	....	....	....	....
Fund balances:					
Reserved for:					
Encumbrances	88	1,198	2,139	....	....
Inventories	44	....	196	....	....
Nonexpendable trust corpus	....	4	....	499,720	114,385
Unemployment compensation	1,503,396	....	....	....	....
Retirement systems	....	....	....	....	....
Other specific purposes	2,638	105,609	1,099	....	....
Unreserved:					
Designated for other specific purposes	....	4,727	....	....	....
Undesignated	43,429	39,798	18,692	....	....
Total Fund Equity	1,549,595	151,336	22,126	499,720	114,385
Total Liabilities and Fund Equity	$1,671,391	$ 157,784	$ 41,227	$ 560,196	$ 116,599

Continued

PENSION TRUST					
PUBLIC EMPLOYEES'	TEACHERS'	L.E.O.F.F.	STATE PATROL	JUDICIAL	VOLUNTEER FIREMEN
$ 4,286	$ 3,969	$ 2,169	$ 654	$ 1,886	$ 60
35,105	23,964	13,620	1,207	....	700
946	686	507	32	511	7
32,331	22,228	5,223	403	54	....
....	....	....	....	....	....
72,668	50,847	21,519	2,296	2,451	767
6,362,659	4,303,440	2,477,931	242,949	....	43,134
....	....	....	....	....	....
6,362,659	4,303,440	2,477,931	242,949	....	43,134
$ 6,435,327	$ 4,354,287	$ 2,499,450	$ 245,245	$ 2,451	$ 43,901
$ 3,445	$ 2,178	$ 549	$ 100	$ 57	$............
....	....	....	....	....	....
....	17	....	....	....	20
514	63	178	....	....	....
....	....	....	....	....	....
....	....	....	....	....	....
....	....	....	....	....	....
....	....	....	....	....	....
3,959	2,258	727	100	57	20
....	....	....	....	....	....
....	....	....	....	....	....
....	....	....	....	....	....
....	....	....	....	....	....
....	....	....	....	....	....
6,431,368	4,352,029	2,498,723	245,145	2,394	43,881
....	....	....	....	....	....
....	....	....	....	....	....
....	....	....	....	....	....
6,431,368	4,352,029	2,498,723	245,145	2,394	43,881
$ 6,435,327	$ 4,354,287	$ 2,499,450	$ 245,245	$ 2,451	$ 43,901

Combining Balance Sheet
Trust and Agency Funds
June 30, 1990
(expressed in thousands)

Concluded

	AGENCY					TOTALS	
	CLEARING	SUSPENSE	LOCAL GOVERNMENT DISTRUB.	DEFFERED COMP.	POOLED INVEST.	JUNE 30, 1990	JUNE 30, 1989
ASSETS:							
Cash and pooled investments	$ 5,973	$ 14,807	$ 17,502	$ 4	$1,009,262	$ 2,629,544	$ 2,221,650
Other receivables (net of allowance)	51,732	15,093		364	1,999	317,729	278,369
Due from other funds	617	2,633	141,036	18	22,401	187,872	97,801
Due from other governments		4,807			4,813	87,393	82,414
Inventories						240	226
Total Current Assets	58,322	37,340	158,538	386	1,038,475	3,222,778	2,680,460
OTHER ASSETS:							
Investments, noncurrent				203,020	13,779	14,395,725	12,932,908
Other nonfixed assets		49,872				69,087	40,957
Total Other Assets		49,872		203,020	13,779	14,464,812	12,973,865
Total Assets	$ 58,322	$ 87,212	$ 158,538	$ 203,406	$1,052,254	$ 17,687,590	$ 15,654,325
LIABILITIES AND FUND EQUITY:							
LIABILITIES:							
Accounts payable	$ 1,253	$ 108	$	$	$ 2,548	$ 11,184	$ 13,542
Contracts and retainages payable	32	8,780			1,939	13,760	16,170
Accrued liabilities	44,625	2,772	611	1	29,740	99,226	98,357
Due to other funds	192	8,242		498	153,229	175,213	153,654
Due to other governments	12,220	17,438	157,927		864,798	1,052,917	758,920
Deferred revenues						46,257	39,271
Current workers' comp benefits payable						119,000	105,669
Other long-term obligations		49,872		202,907		259,331	167,767
Total Liabilities	58,322	87,212	158,538	203,406	1,052,254	1,776,888	1,353,350
FUND EQUITY:							
Unrealized gain on investments							1,949,180
Fund balances:							
Reserved for:							
Encumbrances						3,425	
Inventories						240	226
Nonexpendable trust corpus						614,109	548,197
Unemployment compensation						1,503,396	1,203,206
Retirement systems						13,573,540	10,396,544
Other specific purposes						109,346	88,596
Unreserved:							
Designated for other specific purposes						4,727	3,875
Undesignated						101,919	111,152
Total Fund Equity						15,910,702	14,300,976
Total Liabilities and Fund Equity	$ 58,322	$ 87,212	$ 158,538	$ 203,406	$1,052,254	$ 17,687,590	$ 15,654,326

Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
Expendable Trust Funds
For the Fiscal Year Ended June 30, 1990
(expressed in thousands)

	HUMAN SERVICES TRUST	HIGHER EDUCATION TRUST	MISC. TRUST	TOTALS FOR THE YEAR ENDED JUNE 30, 1990	TOTALS FOR THE YEAR ENDED JUNE 30, 1989
REVENUES:					
Licenses, permits, and fees	$ 49	$..........	$..........	$ 49	$ 86
Federal grants-in-aid	24,182	61,985	48,025	134,192	121,661
Charges for services	1,460	6,619	2,286	10,365	9,764
Unemployment comp. contributions	562,682	....	....	562,682	653,197
Workers' compensation contributions	125,202	....	....	125,202	123,438
Miscellaneous revenue	140,523	39,107	17,389	197,019	153,730
Total Revenues	854,098	107,711	67,700	1,029,509	1,061,876
EXPENDITURES:					
Current:					
General government	....	....	49,470	49,470	54,111
Human services	518,652	....	1,259	519,911	490,974
Natural resources and recreation	....	....	340	340	227
Education	22,312	94,241	448	117,001	110,390
Capital outlays	153	592	117	862	1,398
Debt service:					
Principal	....	34	....	34	81
Interest	....	8	....	8	234
Total Expenditures	541,117	94,875	51,634	687,626	657,415
Excess of Revenues Over (Under) Expenditures	312,981	12,836	16,066	341,883	404,461
OTHER FINANCING SOURCES (USES):					
Operating transfers in	13,800	7,924	4,041	25,765	43,534
Operating transfers out	(28,815)	(6,261)	(11,275)	(46,351)	(35,790)
Total Other Financing Sources (Uses)	(15,015)	1,663	(7,234)	(20,586)	7,744
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	297,966	14,499	8,832	321,297	412,205
FUND BALANCES:					
Fund balances as restated, July 1	1,251,629	136,847	13,294	1,401,770	994,898
Residual equity transfers out	....	(10)	....	(10)	(45)
Fund Balances, June 30	$1,549,595	$ 151,336	$ 22,126	$ 1,723,057	$ 1,407,058

Combining Statement of Revenues, Expenses, and Changes in Fund Equity
Nonexpendable Trust Funds
For the Fiscal Year Ended June 30, 1990
(expressed in thousands)

			TOTALS FOR THE YEAR ENDED	
	HIGHER EDUCATION ENDOWMENT	COMMON SCHOOL PERMANENT	JUNE 30, 1990	JUNE 30, 1989
OPERATING REVENUES:				
Charges for services	$ 1	$	$ 1	$ 6
Earnings on investments	40,046	10,860	50,906	44,087
Miscellaneous revenue	40,557	966	41,523	39,324
Total Operating Revenues	80,604	11,826	92,430	83,417
NONOPERATING REVENUES (EXPENSES):				
Other revenues (expenses)	(101)	218	117	271
Income Before Operating Transfers	80,503	12,044	92,547	83,688
OPERATING TRANSFERS:				
Operating transfers in	12,721	....	12,721	884
Operating transfers out	(31,283)	(7,972)	(39,255)	(36,329)
Net Operating Transfers In (Out)	(18,562)	(7,972)	(26,534)	(35,445)
NET INCOME	61,941	4,072	66,013	48,243
FUND EQUITY:				
Fund equity as restated, July 1	437,880	110,313	548,193	499,950
Residual equity transfer out	(101)	....	(101)	....
Fund Equity, June 30	$ 499,720	$ 114,385	$ 614,105	$ 548,193

Combining Statement of Cash Flows
All Nonexpendable Fund Types
For the Fiscal Year Ended June 30, 1990
(expressed in thousands)

	HIGHER EDUCATION ENDOWMENT	COMMON SCHOOL PERMANENT	TOTALS FOR THE YEAR ENDED	
			JUNE 30, 1990	JUNE 30, 1989
CASH FLOWS FROM OPERATING ACTIVITIES:				
OPERATING INCOME	$ 80,604	$ 11,826	$ 92,430	$ 83,417
ADJUSTMENTS TO RECONCILE OPERATING INCOME TO NET CASH PROVIDED BY OPERATIONS:				
Amortization of premiums/discounts on investments	467	(1,300)	(833)	(800)
CHANGE IN ASSETS: DECREASE (INCREASE)				
Receivables (net of allowance)	(7,309)	(10)	(7,319)	(2,709)
Due from other funds	1,145	6	1,151	(385)
Other nonfixed assets	3,593	456	4,049	(910)
CHANGE IN LIABILITIES: INCREASE (DECREASE)				
Contracts and retainages payable	(675)	....	(675)	1,668
Accrued liabilities	6,346	....	6,346	2,738
Due to other funds	746	42	788	2,738
Deferred revenues	4,268	(455)	3,813	930
Other long-term obligations	244	....	244	432
Net Cash or Cash Equivalents Provided By (Used In) Operating Activities	89,429	10,565	99,994	87,119
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
Operating transfers in	12,721	....	12,721	884
Operating transfers out	(31,283)	(7,972)	(39,255)	(36,329)
Fund equity transfers in (out)	(101)	....	(101)	....
Other revenue (expenses)	(101)	218	117	271
Net Cash or Cash Equivalents Provided By (Used In) Noncapital Financing Activities	(18,764)	(7,754)	(26,518)	(35,174)
CASH FLOWS FROM INVESTING ACTIVITIES:				
Proceeds from sale of investment securities	171,763	42,628	214,391	196,090
Purchases of investment securities	(227,512)	(45,456)	(272,968)	(273,978)
Net Cash Provided By (Used In) Investing Activities	(55,749)	(2,828)	(58,577)	(77,888)
NET INCR. (DECR.) IN CASH AND POOLED INVESTMENTS	14,916	(17)	14,899	(25,943)
CASH AND POOLED INVESTMENTS AT JULY 1, 1989	8,226	36	8,262	34,204
CASH AND POOLED INVESTMENTS AT JUNE 30, 1990	$ 23,142	$ 19	$ 23,161	$ 8,261

STATE OF WASHINGTON

Combining Statement of Revenues, Expenses, and Changes in Fund Equity Pension Trust Funds For the Fiscal Year Ended June 30, 1990 (expressed in thousands)

	PUBLIC EMPLOYEES'	TEACHERS'	L.E.O.F.F.	STATE PATROL	JUDICIAL
OPERATING REVENUES:					
Earnings on investments	$ 530,728	$ 353,307	$ 162,039	$ 33,629	$ 91
Pension contributions	405,922	307,535	111,305	9,069	4,222
Miscellaneous revenue	....	....	....	....	....
Total Operating Revenues	936,650	660,842	273,344	42,698	4,313
OPERATING EXPENSES:					
Salaries and wages	....	....	....	....	....
Employee benefits	....	....	....	....	....
Personal services	586	391	235	21	....
Goods and services	113	24	94	....	3
Travel	....	....	....	....	....
Pension benefit payments	328,330	250,370	100,337	5,766	3,503
Total Operating Expenses	329,029	250,785	100,666	5,787	3,506
Operating Income (Loss)	607,621	410,057	172,678	36,911	807
NONOPERATING REVENUES (EXPENSES):					
Other revenues (expenses)	91	(85)	(67)	60	....
Income Before Operating Transfers	607,712	409,972	172,611	36,971	807
OPERATING TRANSFERS:					
Operating transfers out	(364)	(245)	(146)	(13)	....
NET INCOME	607,348	409,727	172,465	36,958	807
FUND EQUITY:					
Fund equity as restated, July 1	5,823,760	3,942,302	2,326,258	208,187	1,847
Residual equity transfers in	260	....	....	....	....
Residual equity transfers out	....	....	....	....	(260)
Unrealized gain (loss) on investments	....	....	....	....	....
Fund Equity, June 30	$ 6,431,368	$ 4,352,029	$ 2,498,723	$ 245,145	$ 2,394

VOLUNTEER FIREFIGHTERS'	TOTALS FOR THE YEAR ENDED JUNE 30, 1990	TOTALS FOR THE YEAR ENDED JUNE 30, 1989
$ 3,171	$ 1,082,965	$ 869,367
516	838,569	785,951
....	....	2,273
3,687	1,921,534	1,657,591
....	....	59
....	....	18
....	1,233	1,474
....	234	315
....	....	2
3,084	691,390	626,938
3,084	692,857	628,806
603	1,228,677	1,028,785
6	5	....
609	1,228,682	1,028,785
(102)	(870)	(695)
507	1,227,812	1,028,090
43,370	12,345,724	10,743,190
4	264	672
....	(260)	(672)
....	....	574,444
$ 43,881	$ 13,573,540	$ 12,345,724

Combining Statement of Changes in Assets and Liabilities Agency Funds For the Fiscal Year Ended June 30, 1990 (expressed in thousands)

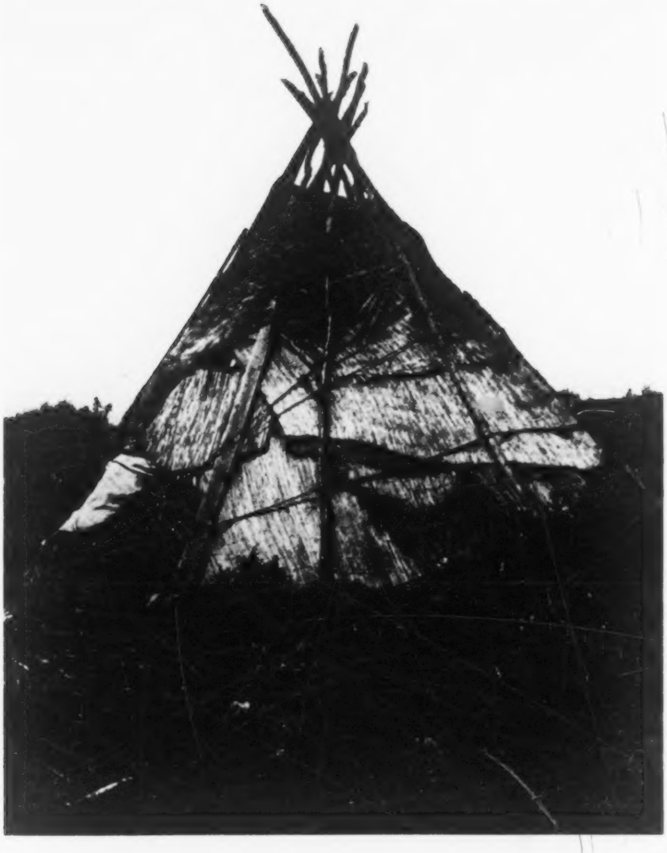
Continued

	BALANCE JULY 1, 1989	ADDITIONS	DEDUCTIONS	BALANCE JUNE 30, 1990
CLEARING FUND				
ASSETS:				
Cash and pooled investments	$ 35,447	$ 1,664,450	$ 1,693,924	$ 5,973
Other receivables (net of allowance)	23,686	279,410	251,364	51,732
Due from other funds	1,507	458	1,348	617
Total Assets	$ 60,640	$ 1,944,318	$ 1,946,636	$ 58,322
LIABILITIES:				
Accounts payable	$ 1,046	$ 22,927	$ 22,720	$ 1,253
Contracts and retainages payable	135	....	103	32
Accrued liabilities	54,771	2,171,166	2,181,312	44,625
Due to other funds	332	3,762	3,902	192
Due to other governments	4,356	11,034	3,170	12,220
Total Liabilities	$ 60,640	$ 2,208,889	$ 2,211,207	$ 58,322
SUSPENSE FUND				
ASSETS:				
Cash and pooled investments	$ 27,379	$ 176,230	$ 188,802	$ 14,807
Other receivables (net of allowance)	1,853	14,324	1,084	15,093
Due from other funds	2,392	12,819	12,578	2,633
Due from other governments	5,238	1,250	1,681	4,807
Other nonfixed assets	17,688	49,879	17,695	49,872
Total Assets	$ 54,550	$ 254,502	$ 221,840	$ 87,212
LIABILITIES:				
Accounts payable	$ 114	$ 12,346	$ 12,352	$ 108
Contracts and retainages payable	10,217	6,447	7,884	8,780
Accrued liabilities	2,321	99,949	99,498	2,772
Due to other funds	16,019	48,906	56,683	8,242
Due to other governments	25,879	77,074	85,515	17,438
Other long-term obligations	....	49,872	....	49,872
Total Liabilities	$ 54,550	$ 294,594	$ 261,932	$ 87,212
LOCAL GOVERNMENT DISTRIBUTIONS FUND				
ASSETS:				
Cash and pooled investments	$ 21,848	$ 1,397,838	$ 1,402,184	$ 17,502
Due from other funds	69,870	76,637	5,471	141,036
Total Assets	$ 91,718	$ 1,474,475	$ 1,407,655	$ 158,538
LIABILITIES:				
Accounts payable	$............	$ 4	$ 4	$............
Accrued liabilities	611	....	....	611
Due to other funds	2,026	....	2,026	....
Due to other governments	89,081	1,473,503	1,404,657	157,927
Total Liabilities	$ 91,718	$ 1,473,507	$ 1,406,687	$ 158,538

Combining Statement of Changes in Assets and Liabilities Agency Funds For the Fiscal Year Ended June 30, 1990 (expressed in thousands)

Concluded

	BALANCE JULY 1, 1989	ADDITIONS	DEDUCTIONS	BALANCE JUNE 30, 1990
DEFERRED COMPENSATION FUND				
ASSETS:				
Cash and pooled investments	$ 583	$ 48,019	$ 48,598	$ 4
Other receivables (net of allowance)	....	34,966	34,602	364
Due from other funds	8	18	8	18
Investments, noncurrent	160,913	53,575	11,468	203,020
Total Assets	$ 161,504	$ 136,578	$ 94,676	$ 203,406
LIABILITIES:				
Accounts payable	$ 9	$ 2,110	$ 2,119	$............
Accrued liabilities	13	8,746	8,758	1
Due to other funds	76	919	497	498
Other long-term obligations	161,406	50,788	9,287	202,907
Total Liabilities	$ 161,504	$ 62,563	$ 20,661	$ 203,406
POOLED INVESTMENTS FUND				
ASSETS:				
Cash and pooled investments	$ 760,992	$ 15,626,145	$ 15,377,875	$ 1,009,262
Other receivables (net of allowance)	2,136	2,857	2,994	1,999
Due from other funds	5,505	20,857	3,961	22,401
Due from other governments	4,580	360	127	4,813
Investments, noncurrent	12,449	42,874	41,544	13,779
Total Assets	$ 785,662	$ 15,693,093	$ 15,426,501	$ 1,052,254
LIABILITIES:				
Accounts payable	$ 1,551	$ 6,989	$ 5,992	$ 2,548
Contracts and retainages payable	2,140	60,682	60,883	1,939
Accrued liabilities	26,370	33,438	30,068	29,740
Due to other funds	116,579	156,963	120,313	153,229
Due to other governments	638,969	3,890,975	3,665,146	864,798
Other long-term obligations	53	53	106	....
Total Liabilities	$ 785,662	$ 4,149,100	$ 3,882,508	$ 1,052,254
TOTALS - ALL AGENCY FUNDS				
ASSETS:				
Cash and pooled investments	$ 846,249	$ 18,912,682	$ 18,711,383	$ 1,047,548
Other receivables (net of allowance)	27,675	331,557	290,044	69,188
Due from other funds	79,282	110,789	23,366	166,705
Due from other governments	9,818	1,610	1,808	9,620
Investments, noncurrent	173,362	96,449	53,012	216,799
Other nonfixed assets	17,688	49,879	17,695	49,872
Total Assets	$ 1,154,074	$ 19,502,966	$ 19,097,308	$ 1,559,732
LIABILITIES:				
Accounts payable	$ 2,720	$ 44,376	$ 43,187	$ 3,909
Contracts and retainages payable	12,492	67,129	68,870	10,751
Accrued liabilities	84,086	2,313,299	2,319,636	77,749
Due to other funds	135,032	210,550	183,421	162,161
Due to other governments	758,285	5,452,586	5,158,488	1,052,383
Other long-term obligations	161,459	100,713	9,393	252,779
Total Liabilities	$ 1,154,074	$ 8,188,653	$ 7,782,995	$ 1,559,732



University of Washington Library

Winter Homes, Summer Homes

The varied terrain and extremes of climate in eastern Washington gave rise to a range of house types. In northern areas, semi-subterranean winter houses were built to take advantage of the insulating quality of the earth. Foundations were dug about three to four feet deep and measured ten to twelve feet in diameter. A pole frame within this pit was covered with mats and packed with earth, leaving a door at the top.

Summer homes were usually designed for mobility. Many Plateau tribes used temporary tule mat shelters with frames of lodgepole pine. Canvas eventually replaced tule mats for this purpose. Built in varying sizes, shelters could accommodate one person or several families.

The winter Lodge, home of the extended family
During the nurturing time of shelter from the cold,
Was the domain of the Spirit Grandmother.
There she directed the daily routine of life.
The Sweat Lodge, close to the Winter Lodge and on the river's bank,
Used by men, then women,
Was the domain of the Spirit Grandfather.
There he directed the daily cleansing of the spirit and of the body.
The continuity of culture, essential to survival,
Rests equally between elder woman and elder man.

Yakima Nation Museum - Yakima Indian Nation

GENERAL FIXED ASSETS ACCOUNT GROUP

Fixed assets used in governmental fund type operations are accounted for in the General Fixed Assets Account Group, rather than in the individual funds. Public domain (infrastructure) assets consisting of certain improvements other than buildings (including roads, bridges, curbs and gutters, streets, sidewalks, drainage systems, lighting systems, and similar assets) are not reported in the account group.

Schedule of General Fixed Assets By Function June 30, 1990 (expressed in thousands)*

	Land	Buildings	Furnishings and Equipment	Other** Improvements/ Miscellaneous	Construction in Progress	Total
General government................	$ 21,591	$ 96,617	$ 24,957	$ 6,809	$ 7,958	$ 157,932
Human services....................	4,600	374,869	27,308	62,941	35,413	505,131
Natural resources and recreation..	256,352	43,526	25,821	17,627	499	343,825
Transportation....................	30,490	55,580	38,836	....	4,309	129,215
Education.........................	64,726	818,558	164,271	280,615	138,450	1,466,620
Total General Fixed Assets.....	$ 377,759	$ 1,389,150	$ 281,193	$ 367,992	$ 186,629	$ 2,602,723

** Amounts displayed are net of depreciation where appropriate.*
***Includes library resources, museum and art collections.*

Schedule of Changes in General Fixed Assets By Function For the Fiscal Year Ended June 30, 1990 (expressed in thousands)

	Balance July 1, 1989	Net Transfers	Additions	Deletions	Balance June 30, 1990
General government............................	$ 196,239	$ (58)	$ 24,650	$ 3,356	$ 217,475
Depreciation..............................	(54,869)	27	4,935	234	(59,543)
Total general government...................	141,370				157,932
Human services................................	646,649	440	41,396	7,181	681,304
Depreciation..............................	(146,199)	(145)	30,804	975	(176,173)
Total human services.......................	500,450				505,131
Natural resources and recreation..............	330,841	....	86,859	2,806	414,894
Depreciation..............................	(64,051)	....	8,002	984	(71,069)
Total natural resources and recreation......	266,790				343,825
Transportation................................	182,758	(382)	44,256	26,855	199,777
Depreciation..............................	(64,884)	118	9,863	4,067	(70,562)
Total transportation.......................	117,874				129,215
Education.....................................	2,061,595	....	347,339	181,399	2,227,535
Depreciation..............................	(712,324)	....	82,253	33,662	(760,915)
Total education............................	1,349,271				1,466,620
Total General Fixed Assets..................	$ 2,375,755				$ 2,602,723

*Comparative Schedule of General Fixed Assets**
By Source
June 30, 1990 and 1989
(expressed in thousands)

	1990	1989
General Fixed Assets:		
Land	$ 377,759	$ 302,130
Buildings	1,389,150	1,253,502
Furnishings and Equipment	281,193	285,161
Other Improvements/Miscellaneous	367,992	361,723
Construction in Progress	186,629	173,239
Total General Fixed Assets	$ 2,602,723	$ 2,375,755
Investment in General Fixed Assets by Source:		
General Fund	$ 971,680	$ 893,110
Special Revenue Funds	471,734	441,304
Capital Projects Funds	1,159,309	1,041,341
Total Investment in General Fixed Assets	$ 2,602,723	$ 2,375,755

* *Amounts displayed are net of depreciation where appropriate.*

University of Washington Library

Family History

It was a woman's role to keep a record of her family's history. When a young woman married, she would begin a time ball, or "it-tamat" by tying knots in a length of hemp twine. Each knot or group of knots, sometimes combined with a stone or bead, signified an event that could be recalled when the ball was unwound. As the woman began to grow old and the ball larger, it would sometimes be divided into twenty-year lengths for easier handling. When she was very old, she could pick up one of her lifetime histories and tell that certain knots represented the time she was married, when she moved with her family, when her children were born or when she became a grandmother. All of the important events of her life would be recorded on the Time Ball. A woman's Time Ball was a very personal and sacred belonging, always stored safely in a buckskin or hemp bag and buried with her when she died.

Time is a relationship between events,
Kept fresh in memory by selected objects on knotted hemp.
Connection is as vital as Separation.
The strand is begun by a woman at her marriage.
By the time she is a grandmother,
The Unity of life is wrapped and remembered
In a Time Ball.

Yakima Nation Museum - Yakima Indian Nation

GENERAL LONG-TERM OBLIGATIONS ACCOUNT GROUP

Long-term liabilities expected to be financed from governmental funds are accounted for in the General Long-Term Obligations Account Group, rather than in the individual funds.

Schedule of Changes in General Long-Term Obligations
For the Fiscal Year Ended June 30, 1990
(expressed in thousands)

	Bonds Payable	Workers' Compensation Benefits Payable	Accrued Retirement Costs	Installments and Leases Payable	Other Long-Term Obligations	Total General Long-Term Obligations
Balances at July 1, 1989	$ 3,314,902	$ 2,847,331	$ 786,400	$ 24,925	$ 111,563	$ 7,085,121
General obligation debt issues	120,000	....	....	....	....	120,000
General obligation refunding debt issues	129,540	....	....	....	....	129,540
General obligation zero interest rate debt issues	51,114	....	....	....	....	51,114
Accretion of long-term interest liability on zero interest rate bonds	4,985	....	....	....	....	4,985
Actuarial increase in workers' compensation liability	....	358,669	....	....	....	358,669
Decrease in installment contract obligations	....	....	....	(3,197)	....	(3,197)
Increase in lease obligations	....	....	....	3,891	....	3,891
Increase in compensated absences earned	....	....	....	....	12,456	12,456
Excess of actuarially determined accrued retirement obligations over amounts recorded as expenditures in governmental fund types	....	....	15,300	....	....	15,300
Increase in other long-term obligations	....	....	....	....	18,423	18,423
General and limited obligation retirement of principal	(146,645)	....	....	....	....	(146,645)
Retirement of refunded general obligation debt issues	(110,645)	....	....	....	....	(110,645)
Balances at June 30, 1990	$ 3,363,251	$ 3,206,000	$ 801,700	$ 25,619	$ 142,442	$ 7,539,012

SCHEDULES

STATE OF WASHINGTON

Schedule of Revenues and Other Sources (Uses) - All Governmental Fund Types
For the Fiscal Year Ended June 30, 1990
(expressed in thousands)

	GOVERNMENTAL FUND TYPES				TOTALS	
	GENERAL	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS	YEAR ENDED JUNE 30, 1990	YEAR ENDED JUNE 30, 1989
TAXES:						
Retail sales	$ 3,074,412	$ 893	$..........	$.........	$ 3,075,305	$ 2,676,367
Business and occupation	1,142,994	....	....	....	1,142,994	1,009,177
Use (compensating)	223,814	....	....	....	223,814	197,251
Motor vehicle and fuel	3,321	487,994	....	....	491,315	453,633
Liquor, beer, and wine	72,183	18,595	....	....	90,778	80,704
Cigarette and tobacco	93,539	45,125	....	....	138,664	129,704
Insurance premiums	90,809	1,892	....	....	92,701	88,773
Public utility	152,573	....	....	....	152,573	145,507
Pari-mutuels and amusements	4,950	5,561	....	....	10,511	9,538
Property	680,956	....	....	....	680,956	637,784
Motor vehicle excise	350,598	55,622	....	....	406,220	353,209
Other excise	284,112	1,294	....	....	285,406	197,566
Gift and inheritance	29,744	....	....	....	29,744	17,328
Other taxes	130,246	60,306	....	....	190,552	132,267
Subtotal	6,334,251	677,282	....	....	7,011,533	6,128,808
TAX CREDITS:						
Business and occupation	(8,133)	....	....	....	(8,133)	(8,848)
Other tax credits	(4,171)	....	....	....	(4,171)	(4,618)
Total Taxes	6,321,947	677,282	....	....	6,999,229	6,115,342
LICENSES, PERMITS, AND FEES:						
Business and professions	39,709	16,467	....	....	56,176	36,901
Hunting and fishing	4,355	19,381	....	....	23,736	23,055
Motor vehicle	2,080	170,947	....	....	173,027	164,747
Motor vehicle operators	3,316	14,495	....	....	17,811	16,364
Other fees	16,991	57,664	....	....	74,655	66,923
Total Licenses, Permits, and Fees	66,451	278,954	....	....	345,405	307,990
FEDERAL GRANTS-IN-AID:						
Health and human sevices	1,175,293	163,360	....	....	1,338,653	1,181,971
Department of labor	69,627	63,451	....	....	133,078	127,339
Department of agriculture	167,182	18,201	....	....	185,383	170,802
Department of transportation	2,716	357,908	....	....	360,624	397,621
Department of education	154,204	28,827	164	....	183,195	168,968
Other federal grants-in-aid	73,847	139,684	....	....	213,531	179,163
Total Federal Grants-in-Aid	1,642,869	771,431	164	....	2,414,464	2,225,864
CHARGES FOR SERVICES:						
Tuition and student fees	160,268	60,472	....	15,290	236,030	215,112
Other charges	41,567	82,256	....	....	123,823	138,534
Total Charges for Services	201,835	142,728	....	15,290	359,853	353,646
MISCELLANEOUS REVENUE:						
Earnings on investments	84,803	81,412	10,911	1,888	179,014	117,785
Property and timber management	97,075	170,776	....	10,646	278,497	181,633
Fines and forfeitures	38,810	12,882	....	26	51,718	44,762
Contributions and grants	22,029	102,604	....	1,218	125,851	107,298
Other	6,552	81,851	3,074	....	91,477	60,480
Total Miscellaneous Revenue	249,269	449,525	13,985	13,778	726,557	511,958
Total Revenues	8,482,371	2,319,920	14,149	29,068	10,845,508	9,514,800
OTHER FINANCING SOURCES (USES):						
Bond sale proceeds	....	10,000	....	161,114	171,114	229,987
Proceeds of refunding bonds	....	....	127,277	....	127,277	383,702
Payment to refunded bond escrow agent	....	....	(127,130)	....	(127,130)	(383,702)
Note proceeds	....	....	....	....	....	5,732
Operating transfers in	410,448	231,302	405,139	57,794	1,104,683	804,096
Operating transfers out	(537,390)	(369,470)	(20,939)	(32,140)	(959,939)	(676,858)
Capital lease acquisitions	8,602	2,896	....	....	11,498	3,832
Total Other Financing Sources(Uses)	(118,340)	(125,272)	384,347	186,768	327,503	366,789
TOTAL REVENUES AND OTHER FINANCING SOURCES (USES)	$ 8,364,031	$ 2,194,648	$ 398,496	$ 215,836	$ 11,173,011	$ 9,881,589

Schedule of Expenditures - All Governmental Fund Types
For the Fiscal Year Ended June 30, 1990
(expressed in thousands)

	GOVERNMENTAL FUND TYPES				TOTALS	
	GENERAL	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS	YEAR ENDED JUNE 30, 1990	YEAR ENDED JUNE 30, 1989
BY FUNCTION						
General government	$ 475,661	$ 214,690	$ 377,291	$ 24,375	$ 1,092,017	$ 1,033,144
Human services	3,141,969	111,649	....	43,218	3,296,836	2,946,435
Natural resources and recreation	286,614	176,966	....	25,564	489,144	421,464
Transportation	34,538	818,110	....	12,377	865,025	895,678
Education	3,918,539	699,900	....	144,267	4,762,706	4,323,313
TOTAL EXPENDITURES	$7,857,321	$2,021,315	$ 377,291	$ 249,801	$ 10,505,728	$ 9,620,034
BY OBJECT						
Salaries and wages	$1,368,237	$ 573,800	$..........	$ 3,328	$ 1,945,365	$ 1,798,254
Employee benefits	349,498	133,813	....	795	484,106	425,776
Personal services	27,643	21,900	....	674	50,217	59,432
Goods and services	465,015	321,459	....	20,077	806,551	806,502
Travel	38,389	34,001	....	219	72,609	61,428
Grants and subsidies:						
K-12 basic education	2,938,817	6,122	....	....	2,944,939	2,676,822
Public assistance	2,010,764	9,034	....	489	2,020,287	1,789,254
Other miscellaneous	516,645	353,163	....	23,469	893,277	792,557
Total Grants and Subsidies	5,466,226	368,319	....	23,958	5,858,503	5,258,633
Capital outlays:						
Equipment	57,890	47,847	....	....	105,737	138,383
All other	71,786	512,381	....	196,948	781,115	700,852
Total Capital Outlays	129,676	560,228	....	196,948	886,852	839,235
Debt Service:						
Principal	11,470	4,197	146,645	481	162,793	144,403
Interest	1,167	3,598	230,646	3,321	238,732	226,371
Total Debt Service	12,637	7,795	377,291	3,802	401,525	370,774
TOTAL EXPENDITURES	$7,857,321	$2,021,315	$ 377,291	$ 249,801	$ 10,505,728	$ 9,620,034

Schedule of Refunded and Defeased Long-Term Debt
Governmental Debt Schedule
June 30, 1990

(expressed in thousands)

Bond Issue Name	Authorized	Authorized Not Issued	Issued	Redeemed	Outstanding June 30, 1990
County-City Urban Arterials....."Series II"..	$ 25,405	$..........	$ 25,405	$ 2,370	$ 23,035
Capitol Campus Facilities 1975.. "Series J"..	3,275	....	3,275	495	2,780
Common School Plant Facilities.."Series AC"..	17,540	....	17,540	950	16,590
Common School Plant Facilities.."Series BC"..	29,510	....	29,510	....	29,510
Community Colleges 198...1......"Series AK"..	6,910	....	6,910	1,495	5,415
Comm. Coll. Construction 1979...."Series X"..	11,860	....	11,860	1,415	10,445
County-City Urban Arterials....."Series AI"..	8,540	....	8,540	....	8,540
Ferry System Vessels, 1977......."Series B"..	69,550	....	69,550	5,630	63,920
Fire Service Training Center...."Series AE"..	700	....	700	....	700
Fire Service Training Center...."Series AS"..	3,160	....	3,160	....	3,160
Fisheries Capital Projects......"Series AN"..	6,010	....	6,010	1,645	4,365
Fisheries Facilities, 1979......."Series Y"..	2,560	....	2,560	....	2,560
Fisheries Facilities 1983......."Series AX"..	990	....	990	....	990
Handicapped Facilities 1979....."Series AI"..	20,790	....	20,790	2,485	18,305
Higher Education 1979............"Series V"..	6,755	....	6,755	600	6,155
Higher Education 1981........."Series AQ-A"..	29,030	....	29,030	2,540	26,490
Higher Education 1981..........."Series AP"..	7,095	....	7,095	1,270	5,825
Higher Education 1983..........."Series AW"..	9,495	....	9,495	....	9,495
Higher Education Facilities......"Series W"..	29,180	....	29,180	2,600	26,580
Higher Education................"Series AY"..	6,640	....	6,640	....	6,640
Indian Cultural Center Const...."Series AR"..	530	....	530	....	530
I-90 Highway Projects 1979......"Series CC"..	28,225	....	28,225	815	27,410
Jail Improvement 1979..........."Series AB"..	51,755	....	51,755	4,100	47,655
Local Jail Improvement 1981....."Series AU"..	93,125	....	93,125	....	93,125
Outdoor Rec. Areas/Facilities..."Series AD"..	6,585	....	6,585	....	6,585
Outdoor Rec. Areas/Facilities..."Series AG"..	11,385	....	11,385	500	10,885
Performing Arts Facilities......"Series AH"..	1,415	....	1,415	215	1,200
Public Water Supply Facilities.."Series AM"..	27,540	....	27,540	1,270	26,270
Refunding............."Series 1984-B/CC-1"..	3,335	....	3,335	....	3,335
Refunding.............."Series 1984-B/B-3"..	13,340	....	13,340	....	13,340
Refunding...................."Series 1985A"..	64,385	....	64,385	....	64,385
Refunding...................."Series R-86A"..	33,540	....	33,540	....	33,540
Refunding...................."Series R-86C"..	46,410	....	46,410	....	46,410
Salmon Enhancement 1977.........."Series Q"..	3,515	....	3,515	....	3,515
Social and Health Services 1979."Series AA"..	84,720	....	84,720	9,525	75,195
Social and Health Services 1981 "Series AL"..	129,730	....	129,730	6,345	123,385
State Buildings and Facilites..."Series BD"..	9,415	....	9,415	....	9,415
State Buildings and Facilities.."Series AO"..	10,420	....	10,420	1,270	9,150
State Buildings and Facilities.."Series AV"..	53,115	....	53,115	....	53,115
State Highway Projects, 1981...."Series DD"..	123,230	....	123,230	....	123,230
State Office Buildings..........."Series Z"..	7,005	....	7,005	1,060	5,945
Urban Arterial Board, 1981....."Series III"..	16,670	....	16,670	....	16,670
Washington State University 1977."Series O"..	145	....	145	....	145
Waste Disposal Facilities, 1972..............	85,735	....	85,735	11,100	74,635
Waste Disposal Facilities 1980.."Series AJ"..	141,870	....	141,870	3,845	138,025
Water Supply Facilities 1972.................	4,040	....	4,040	....	4,040
Water Supply Facilities 1979...."Series AF"..	9,335	....	9,335	1,980	7,355
Higher Education 1985..........."Series BE"..	13,465	....	13,465	....	13,465
Higher Education 1985........"Series BK-EX"..	2,020	....	2,020	....	2,020
Social and Health Services 1985."Series BI"..	6,735	....	6,735	....	6,735
Higher Education Short-Term 1985."Series BF".	2,020	....	2,020	....	2,020
State Building & Facilities 1985."Series AZ".	12,150	....	12,150	....	12,150
Capital Renewal Projects 1985..."Series BH"..	1,785	....	1,785	....	1,785
State Building & Facilities 1987."Series BL".	24,660	....	24,660	....	24,660
TOTAL GOVERNMENTAL....................	$ 1,418,345	$..........	$ 1,418,345	$ 65,520	$ 1,352,825
TOTAL RETAINED IN ESCROW................	$ 1,418,345	$..........	$ 1,418,345	$ 65,520	$ 1,352,825

NOTE: Total retained in escrow is secured by U.S. government obligations, and is excluded from debt totals.

STATE OF WASHINGTON

Schedule of Refunded and Defeased Long-Term Debt
Proprietary Debt Schedule
June 30, 1990
(expressed in thousands)

Bond Issue Name	Authorized	Authorized Not Issued	Issued	Redeemed	Outstanding June 30, 1990
Convention and Trade Center:					
Series AT..................................	$ 87,860	$..........	$ 87,860	$...........	$ 87,860
Total Convention and Trade Center.........	87,860	....	87,860	....	87,860
State Board for Community Colleges:					
1972, Series A.............................	10,000	....	10,000	3,860	6,140
1972, Series C.............................	10,000	....	10,000	3,645	6,355
Total State Board for Community Colleges..	20,000	....	20,000	7,505	12,495
Eastern Washington University:					
1965, Series A.............................	2,955	....	2,955	2,045	910
1972, Series C.............................	2,600	....	2,600	1,515	1,085
Total Eastern Washington University.......	5,555	....	5,555	3,560	1,995
Central Washington University:					
1966, Series A.............................	2,900	....	2,900	1,995	905
1973, Series C.............................	3,025	....	3,025	2,935	90
Total Central Washington University.......	5,925	....	5,925	4,930	995
Western Washington University:					
1965, Series A.............................	3,850	....	3,850	2,660	1,190
1968, Series B.............................	1,250	....	1,250	660	590
1973, Series D.............................	4,720	....	4,720	2,165	2,555
Total Western Washington University.......	9,820	....	9,820	5,485	4,335
The Evergreen State College:					
1972, Series C.............................	1,032	....	1,032	107	925
Total The Evergreen State College.........	1,032	....	1,032	107	925
Washington State University:					
1963, Series A.............................	4,580	....	4,580	3,620	960
1966.......................................	2,875	....	2,875	2,005	870
1969, Series A.............................	2,890	....	2,890	1,328	1,562
1969, Series B.............................	2,855	....	2,855	1,955	900
1972, Series A.............................	5,500	....	5,500	2,200	3,300
1974.......................................	750	....	750	455	295
Total Washington State University.........	19,450	....	19,450	11,563	7,887
University of Washington:					
1961, Series D.............................	3,000	....	3,000	2,655	345
1962, Series E.............................	3,000	....	3,000	2,655	345
1964, Series F.............................	1,500	....	1,500	1,175	325
1965, Series G.............................	5,250	....	5,250	3,975	1,275
1967, Series H.............................	3,200	....	3,200	2,180	1,020
1967, Series I.............................	1,800	....	1,800	1,175	625
1969, Series J.............................	4,000	....	4,000	1,860	2,140
1966, Parking System Revenue...............	2,500	....	2,500	1,230	1,270
1969, Parking System Revenue...............	3,500	....	3,500	1,090	2,410
1980, Housing and Dining Revenue Bonds.......	6,485	....	6,485	485	6,000
Higher Education - UW Hospital "Series AQ/B".	42,475	....	42,475	1,775	40,700
Total University of Washington...........	76,710	....	76,710	20,255	56,455
TOTAL PROPRIETARY........................	$ 226,352	$..........	$ 226,352	$ 53,405	$ 172,947
TOTAL RETAINED IN ESCROW................	$ 226,352	$..........	$ 226,352	$ 53,405	$ 172,947

NOTE: Total retained in escrow is secured by U.S. government obligations, and is excluded from debt totals.

Detail of Bond Sale Proceeds
For the Fiscal Year Ended June 30, 1990
(expressed in thousands)

Governmental Funds	Bond Type	Amount
Special Revenue Funds		
051 - State and Local Improvements Revolving Account	Capital - Waste Disposal Facilities	$ 5,000
072 - State and Local Improvements Revolving Account	Capital - Water Supply Facilities	5,000
Gross Bond Proceeds - Special Revenue Funds		10,000
Debt Service Funds		
303 - Highway Bond Retirement Account	Refunding of Bonds	23,242
336 - Waste Disposal Facilities Bond Redemption Account	Refunding of Bonds	29,431
360 - State Higher Education Bond Retirement Account, 1977	Refunding of Bonds	15,489
365 - Higher Education Bond Retirement Account	Refunding of Bonds	2,324
372 - State General Obligation Bond Retirement Account, 1979	Refunding of Bonds	56,791
Gross Bond Proceeds - Debt Service Funds		127,277
Capital Projects Funds		
01L - Higher Education Construction Account	Capital - Higher Education	1,967
053 - Salmon Enhancement Construction Account	Capital - Fisheries	3,500
056 - State Higher Education Construction Account	Capital - Higher Education	3,000
057 - State Building Construction Account	Capital - State Buildings and Facilities	150,262
067 - Higher Education Reimbursement Bond Account	Capital - Higher Education	200
078 - Fisheries Capital Projects Account	Capital - Fisheries	185
088 - State Facilities Renewal Account	Capital - State Facilities Renewal	2,000
Gross Bond Proceeds - Capital Projects Funds		161,114
TOTAL BOND PROCEEDS - ALL GOVERNMENTAL FUNDS		$ 298,391

STATISTICAL SECTION

Revenues, Expenditures, and Other Financing Sources (Uses) All Governmental Fund Types Fiscal Years 1981 through 1990 (dollars in millions)

Table 1

	1990	1989	1988	1987	1986	1985	1984	1983	1982	1981
REVENUES:										
Taxes:										
Retail sales...........$	3,075.3	$ 2,676.4	$ 2,453.0	$ 2,296.2	$ 2,160.7	$ 2,009.7	$ 1,970.7	$ 1,655.1	$ 1,376.3	$ 1,163.4
Business and occupation	1,143.0	1,009.2	897.6	776.6	737.8	731.5	678.0	576.7	522.8	448.6
Compensating...........	223.8	197.2	176.4	167.1	165.7	178.2	148.9	120.3	106.3	97.8
Motor vehicle and fuel.	491.3	453.6	435.1	446.0	398.0	371.7	339.8	240.7	259.8	246.8
Liquor, beer, and wine.	90.8	80.7	79.9	80.1	81.3	81.8	84.7	85.7	80.8	77.8
Tobacco................	138.7	129.7	129.7	129.3	107.3	97.4	99.0	104.5	94.2	80.3
Insurance premiums.....	92.7	88.8	91.6	89.8	76.3	63.1	54.8	52.0	45.4	59.2
Utility................	152.6	145.5	161.8	162.1	163.7	151.6	129.6	164.5	139.5	107.5
Property...............	680.9	637.8	617.7	580.5	544.8	503.1	472.3	447.9	397.9	354.9
Excise.................	691.6	550.8	475.6	447.9	363.9	325.3	313.6	256.7	215.8	171.7
Gift and inheritance...	29.7	17.3	18.8	22.2	17.6	20.4	20.2	28.1	56.2	54.3
Other (less credits)...	188.8	128.3	94.5	93.6	87.1	72.7	4.6	32.3	19.6	87.5
Total taxes..........	6,999.2	6,115.3	5,631.7	5,291.4	4,904.2	4,606.5	4,316.2	3,764.5	3,314.6	2,949.8
Licenses, permits, & fees	345.4	308.0	288.0	259.5	228.6	222.0	213.2	209.4	181.3	150.6
Federal grants-in-aid....	2,414.5	2,225.9	1,946.9	1,831.2	1,684.0	1,650.6	1,337.0	1,309.0	1,283.2	1,505.3
Charges and misc. revenue	907.4	747.8	650.3	617.5	595.5	543.2	511.2	446.7	432.1	663.8
Earnings on investments..	179.0	117.8	81.7	81.7	100.0	119.5	89.6	88.8	95.8	88.1
Total revenues.......	10,845.5	9,514.8	8,598.6	8,081.3	7,512.3	7,141.8	6,467.2	5,818.4	5,307.0	5,357.6
EXPENDITURES:										
Current:										
General government......	682.3	641.7	589.7	611.1	605.0	644.5	658.6	543.4	329.4	632.3
Human services..........	3,255.4	2,893.9	2,566.4	2,478.9	2,161.3	2,057.4	1,894.0	1,657.1	1,469.4	1,518.3
Natural resources/rec...	391.1	388.0	326.9	328.8	306.5	262.0	238.6	204.2	194.6	190.5
Transportation..........	490.6	476.5	468.1	477.5	455.8	462.7	361.5	354.4	365.9	638.9
Education...............	4,397.6	4,009.9	3,690.7	3,483.8	3,268.0	3,040.7	2,838.7	2,752.2	2,664.9	2,338.1
Capital outlay...........	886.9	839.2	705.5	688.2	612.0	681.2	491.5	618.2	553.1	368.3
Debt service.............	401.9	370.8	344.2	311.4	296.1	442.0	250.4	196.7	176.4	136.1
Total expenditures...	10,505.7	9,620.0	8,691.5	8,379.7	7,704.7	7,590.5	6,733.3	6,326.2	5,753.7	5,822.5
Revenues over (under) expenditures............	339.8	(105.2)	(92.9)	(298.4)	(192.4)	(448.7)	(266.1)	(507.8)	(446.7)	(464.9)
OTHER FINANCING SOURCES (USES):										
Bond sale proceeds.......	171.3	230.0	370.6	281.5	304.6	325.7	439.1	237.1	391.1	239.1
Note proceeds............	....	5.7	....	....	....	....	....	....	....	....
Operating transfer in(out)	144.7	127.2	141.0	136.1	97.4	109.0	115.5	113.7	(47.2)	30.8
Capital lease acquisitions	11.5	3.8	6.9	6.4	1.6	11.7	2.7	2.9	....	....
Net other financing sources (uses)......	327.5	366.7	518.5	424.0	403.6	446.4	557.3	353.7	343.9	269.9
Operating revenues and other financing sources over (under) expenditures & other financing uses $	667.3	$ 261.5	$ 425.6	$ 125.6	$ 211.2	$ (2.3)	$ 291.2	$ (154.1)	$ (102.8)	$ (195.0)

Notes: Data for FY 1981 is per State of Washington Central Accounting System, Non-GAAP Budgetary Basis.
Data for FY 1982 to FY 1990 is per State of Washington Annual Financial Reporting System, GAAP Basis.
Figures may not total due to rounding.

Revenues, Expenditures, and Other Financing Sources (Uses)
General Fund
Fiscal Years 1981 through 1990
(dollars in millions)

Table 2

	1990	1989	1988	1987	1986	1985	1984	1983	1982	1981
REVENUES:										
Taxes:										
Retail sales..........$	3,074.4	$ 2,676.3	$ 2,453.0	$ 2,296.2	$ 2,160.7	$ 1,968.8	$ 1,927.9	$ 1,610.7	$ 1,341.4	$ 1,125.5
Business and occupation	1,143.0	1,009.2	897.6	776.6	737.8	731.5	678.0	576.7	522.8	448.6
Compensating...........	223.8	197.2	176.4	167.1	165.7	178.2	148.9	120.3	106.3	97.8
Alcoholic beverages....	72.2	71.2	70.7	71.3	72.2	73.2	75.7	76.6	70.8	67.1
Tobacco................	93.5	94.0	95.7	95.7	96.6	97.4	99.0	104.4	94.2	80.3
Insurance premiums.....	90.8	88.8	91.6	89.8	76.3	63.1	54.8	52.0	45.4	59.2
Utility................	152.6	145.5	161.8	157.4	163.7	151.6	129.6	164.5	139.5	107.6
Property...............	681.0	637.8	617.7	580.5	544.8	503.1	472.3	447.9	397.9	354.9
Excise.................	634.7	497.2	429.3	417.5	337.7	277.3	248.9	233.2	193.5	149.1
Gift and inheritance...	29.7	17.3	18.8	22.2	17.6	20.4	20.2	28.1	56.2	54.3
Other (less credits)...	126.2	100.7	85.8	95.9	85.4	71.0	1.2	32.7	19.9	84.7
Total taxes..........	6,322.0	5,535.2	5,098.4	4,770.2	4,458.5	4,135.6	3,856.5	3,447.1	2,987.9	2,629.1
Licenses, permits, & fees	66.5	57.8	54.4	49.5	40.8	37.9	36.3	34.2	30.0	25.3
Federal grants-in-aid....	1,642.9	1,467.5	1,285.1	1,188.9	1,038.3	1,005.1	832.0	761.9	758.4	893.6
Charges and misc. revenue	366.3	341.5	285.8	282.0	249.3	215.3	217.6	182.1	184.5	270.1
Earnings on investments..	84.8	56.0	28.9	29.1	25.2	32.2	31.5	26.3	28.4	18.2
Total Revenues.......	8,482.4	7,458.0	6,752.6	6,319.7	5,812.1	5,426.1	4,973.9	4,451.6	3,989.2	3,836.3
EXPENDITURES:										
Current:										
General government......	466.4	441.0	394.2	432.3	433.9	509.7	521.9	420.0	211.4	362.2
Human services..........	3,126.5	2,797.7	2,478.7	2,382.3	2,070.2	1,940.4	1,753.0	1,593.0	1,414.2	1,435.5
Natural resources/rec...	214.0	220.6	185.5	182.5	166.5	137.7	118.1	154.7	152.8	81.2
Transportation..........	31.3	34.6	30.5	27.2	22.8	20.8	16.2	16.4	16.7	15.5
Education...............	3,876.9	3,543.4	3,290.1	3,088.3	2,923.1	2,640.2	2,488.2	2,361.5	2,329.6	1,928.1
Capital outlay...........	129.7	91.0	58.7	73.8	40.6	55.1	41.7	45.0	31.3	1.0
Debt service.............	12.6	10.0	12.1	6.5	4.8	6.0	13.4	0.7	18.1	....
Total expenditures.....	7,857.3	7,138.3	6,449.8	6,192.9	5,661.9	5,309.9	4,952.5	4,591.3	4,174.1	3,823.5
Revenues over (under) expenditures...........	625.0	319.7	302.8	126.8	150.2	116.2	21.4	(139.7)	(184.9)	12.8
OTHER FINANCING SOURCES (USES):										
Bond sale proceeds.......	....	....	....	....	....	....	....	103.1	117.0	....
Operating transfer in(out)	(126.9)	(101.4)	(94.5)	(69.0)	(68.3)	39.8	29.9	40.7	(8.4)	20.5
Capital lease acquisitions	8.6	3.7	6.5	5.3	1.5	4.6	1.2	....	....	....
Net other financing sources (uses)....	(118.3)	(97.7)	(88.0)	(63.7)	(66.8)	44.4	31.1	143.8	108.6	20.5
Operating revenues and other financing sources over (under) expenditures & other financing uses..$	506.7	222.0	$ 214.8	$ 63.1	$ 83.4	$ 160.6	$ 52.5	$ 4.1	$ (76.3)	$ 33.3

Notes: Data for FY 1981 is per State of Washington Central Accounting System, Non-GAAP Budgetary Basis.
Data for FY 1982 to FY 1990 is per State of Washington Annual Financial Reporting System, GAAP Basis.
Figures may not total due to rounding.

Property Tax Levies and Collections Calendar Years 1980 through 1989 (dollars in millions)

Table 3A

	1989	1988	1987	1986	1985	1984	1983	1982	1981	1980
Total property tax levies...........	$2,359	$2,146	$2,042	$1,784	$1,678	$1,509	$1,434	$1,243	$1,129	$1,007
Current tax collections.............	$2,263	$2,058	$1,945	$1,694	$1,591	$1,438	$1,369	$1,181	$1,062	$947
Delinquent tax collections..........	93	87	83	72	65	62	77	65	59	44
Total Tax Collections...............	$2,356	$2,145	$2,028	$1,766	$1,656	$1,500	$1,446	$1,246	$1,121	$991
Outstanding delinquent taxes........	$64	$74	$68	$61	$53	$46	$48	$62	$58	$57
Percent of current taxes collected..	95.9%	95.9%	95.2%	95.0%	94.8%	95.3%	95.5%	95.0%	94.1%	94.0%
Ratio of total tax collections to tax levy........................	99.9%	100.0%	99.3%	99.0%	98.7%	99.4%	100.8%	100.2%	99.3%	98.4%
Ratio of delinquent taxes to total tax levy........................	2.7%	3.4%	3.3%	3.4%	3.2%	3.0%	3.3%	5.0%	5.1%	5.7%

Source: Tax Statistics, Washington State Department of Revenue.

Assessed and Estimated Actual Value of Property Calendar Years 1980 through 1989 (dollars in millions)

Table 3B

	1989	1988	1987	1986	1985	1984	1983	1982	1981	1980
Real Property										
Assessed value..................	$160,586	$154,427	$145,659	$142,627	$136,329	$132,488	$125,661	$120,483	$102,588	N/A
Estimated actual value..........	178,717	159,678	153,129	148,691	143,611	140,580	135,255	133,106	122,859	N/A
Personal Property										
Assessed value..................	17,709	16,738	16,579	16,103	16,117	15,709	15,106	22,930	20,712	N/A
Estimated actual value..........	18,324	17,323	17,169	16,560	16,736	16,415	15,744	23,787	21,607	N/A
Total										
Assessed value..................	178,295	171,165	162,238	158,730	152,446	148,197	140,767	143,413	123,300	109,874
Estimated actual value..........	197,041	177,001	170,298	165,251	160,347	156,995	150,999	156,893	144,466	127,698
Ratio of total assessed value to Total estimated actual value....	90.5%	96.7%	95.3%	96.1%	95.1%	94.4%	93.2%	91.4%	85.3%	86.0%

Note: N/A indicates data not available.

Source: Tax Statistics, Washington State Department of Revenue.

Property Tax Levies Overlapping Governments Calendar Years 1980 through 1989 (dollars in millions)

Table 3C

	1989	1988	1987	1986	1985	1984	1983	1982	1981	1980
State...............................	$636	$616	$595	$561	$525	$477	$441	$405	$371	$336
Local school districts..............	665	561	537	403	410	361	361	278	246	227
Counties............................	458	416	386	354	325	302	281	257	234	211
Cities and towns....................	315	296	280	248	222	198	190	168	156	137
Other districts.....................	285	257	244	218	196	171	161	135	122	96
Total Property Tax Levies.........	$2,359	[illegible]	$2,042	$1,784	$1,678	$1,509	$1,434	$1,243	$1,129	$1,007

Source: Tax Statistics, Washington State Department of Revenue.

Property Value and Construction Calendar Years 1980 through 1989 (dollars in millions)

Table 4A

	1989	1988	1987	1986	1985	1984	1983	1982	1981	1980
Property Value:										
Assessed value..................	$178,295	$171,165	$162,238	$158,730	$152,446	$148,197	$140,767	$143,413	$123,300	$109,874
Exemptions:										
Senior citizen..................	$1,735	$ 1,750	$ 1,393	$ 1,437	$ 1,469	$ 1,426	$ 1,231	$ 852	$ 966	$ 943
Head of household...............	54	7	7	8	9	10	14	15	16	17
Total Exemptions.............	$ 1,789	$ 1,757	$ 1,400	$ 1,445	$ 1,478	$ 1,436	$ 1,245	$ 867	$ 982	$ 960
New Construction:										
Value...........................	$ 5,489	$ 4,978	$ 3,687	$ 3,724	$ 3,162	$ 3,303	$ 2,580	$ 3,603	$ 3,489	$ 3,933

Source: Tax Statistics, Washington State Department of Revenue.

Residential Building Activity Calendar Years 1980 through 1989 (dollars in millions)

Table 4B

	1989	1988	1987	1986	1985	1984	1983	1982	1981	1980
Residential Building Activity:										
Permits	48,210	45,055	38,341	36,434	35,474	30,391	27,248	17,559	24,384	33,043
Valuations.......................	$3,247	$2,668	$2,224	$2,043	$1,794	$1,556	$1,537	$860	$1,160	$1,373

Source: U.S. Department of Commerce, Bureau of the Census.

Principal Taxpayers For the Fiscal Year Ended June 30, 1990 (dollars in millions)

Table 4C

Taxpayer	Type of Business	Assessed Valuation	Percentage of Total Assessed Valuation
The Boeing Company..........................	Aerospace.................................	$2,242	1.26%
US West Communications......................	Telecommunications........................	1,856	1.04%
Puget Sound Power and Light.................	Public Utility............................	1,113	0.62%
Weyerhaeuser Company........................	Wood Products.............................	825	0.46%
General Telephone Company...................	Telecommunications........................	749	0.42%
Martin Selig Real Estate....................	Real Estate...............................	500	0.28%
James River of Nevada.......................	Paper Mill................................	498	0.28%
Longview Fibre..............................	Paper and Pulp............................	457	0.26%
Washington Water Power......................	Utility...................................	439	0.25%
Burlington Northern.........................	Rail Transportation.......................	349	0.20%
Totals..		$9,028	5.06%

Note: As of December 1989, the Total Assessed Property Valuation for Washington State was $178,295 million; taxes are due in 1989.

Source: Information from thirty-seven of the thirty-nine counties in the state of Washington, including the top ten counties.

Accrued State Retail Sales Tax* Calendar Years 1980 through 1989 (dollars in millions)

Table 5A

	1989	1988	1987	1986	1985	1984	1983	1982	1981	1980
Sales Subject to Retail Sales Tax:										
Gross	$63,742	$56,683	$51,988	$48,498	$47,181	$44,204	$40,171	$38,947	$41,150	$40,551
Taxable	44,426	39,298	35,798	33,902	31,272	30,346	29,040	27,597	25,737	24,405
Accrued State Retail Sales Tax*	2,888	2,554	2,327	2,204	2,033	1,957	1,826	1,496	1,177	1,098

*State tax only, excludes accrued local sales tax revenues.

Source: Quarterly Business Review, Washington State Department of Revenue.

Computation of Legal Debt Margin June 30, 1990 (dollars in millions)

Table 5B

Three year mean, general state revenues	$	4,358
Legal Debt Margin:		
Debt service limitation (7 percent of above)	$	305
Less: Projected maximum annual debt service of outstanding bonds (Schedule 2A)		234
Uncommitted Portion of Debt Service Limitation	$	71
Remaining state general obligation debt capacity	$	764
Plus - Debt outstanding		2,161
Maximum Debt Authorization Subject to Limitation	$	2,925

Source: Office of the State Treasurer - Certification of the Debt Limitation of the State of Washington for Fiscal Year 1990

Domestic Financial Institutions Deposits Calendar Years 1980 through 1989 (dollars in millions)

Table 5C

Financial Institutions	1989	1988	1987	1986	1985	1984	1983	1982	1981	1980
National Banks (1)	$26,662	$23,650	$21,536	$21,859	$21,326	$18,224	$16,850	$16,284	$16,269	$17,302
Percent change	12.7	9.8	(1.5)	2.5	17.0	8.2	3.5	0.1	(6.0)	17.5
State Chartered Banking Institutions (2):										
Commercial Banks	$4,832	$4,025	$4,138	$4,074	$3,778	$3,881	$3,564	$3,028	$2,788	$2,741
Percent change	20.0	(2.7)	1.6	7.8	(2.7)	8.9	17.7	8.6	1.7	3.9
Mutual Savings Banks	$6,351	$6,947	$5,972	$4,873	$4,089	$4,796	$4,537	$3,601	$3,905	$4,060
Percent change	(8.6)	16.3	22.6	19.2	(14.7)	5.7	26.0	(7.8)	(3.8)	5.0
Branches of Foreign Banks	$454	$584	$791	$843	$499	$563	$630	$466	$412	$322
Percent change	(22.3)	(26.2)	(6.2)	68.9	(11.4)	(10.6)	35.2	13.1	28.0	(23.2
Federal Chartered Credit Unions (3)	$1,850	$1,755	$1,465	$1,257	$1,070	$1,061	$850	$740	$650	$644
Percent change	5.4	19.8	16.5	17.5	0.8	24.8	14.9	13.8	0.9	7.5
Federal Chartered Home Loan Banks (4)	N/A	N/A	$9,506	$9,891	$9,704	$9,111	$8,330	$7,000	$5,700	$5,700
Percent change	N/A	N/A	(3.9)	1.9	6.5	9.4	19.0	22.8	0.0	5.6
State Chartered Credit Unions (5)	$4,183	$3,888	$3,184	$2,983	$2,265	$1,673	$1,556	$1,287	$1,062	$1,036
Percent change	7.6	22.1	6.7	31.7	35.4	7.5	20.9	21.2	2.5	14.3
State Chartered Savings and Loan Assns. (5)	$2,109	$1,908	$2,222	$2,091	$1,919	$1,482	$1,374	$1,251	$1,674	$1,741
Percent change	10.5	(14.1)	6.3	9.0	29.5	7.9	9.8	(25.3)	(3.8)	8.9

Sources:
(1) Comptroller of the Currency, Washington D.C.
(2) Washington State Department of General Administration, Division of Banking and Consumer Finance.
(3) Washington Credit Union League, Seattle, Washington.
(4) N/A Indicates data not available from Federal Home Loan Bank, Seattle, Washington.
(5) Washington State Department of General Administration, Division of Savings and Loan Associations.

Ratio of Net General and Limited Obligation Bonded Debt To Assessed Value and Net General and Limited Obligation Bonded Debt Per Capita Fiscal Years 1982 through 1989

Table 6A

	1989	1988	1987	1986	1985	1984	1983	1982
Population (in thousands)	4,661	4,565	4,481	4,420	4,384	4,328	4,285	4,264
Assessed Value (in millions)	$178,295	$171,165	$162,238	$158,730	$152,446	$148,197	$140,767	$143,413
Net Bonded Debt (in millions):								
Gross Bonded Debt	$3,315	$3,166	$2,909	$2,705	$2,398	$2,282	$2,007	$1,675
Less:								
Debt Service Fund	88	85	68	65	56	61	54	66
Net Bonded Debt	$3,227	$3,081	$2,841	$2,640	$2,342	$2,221	$1,953	$1,609
Ratio of Net Bonded Debt to Assessed Value	1.81%	1.80%	1.75%	1.66%	1.54%	1.50%	1.39%	1.12%
Net Bonded Debt Per Capita	$692	$675	$634	$597	$534	$513	$456	$377

Note: GAAP financial statements have only been issued by Washington State since 1982; data reported is limited to that time period. Data for 1990 was not available by publication date.

Selected Financial Ratios Calendar Years 1980 through 1989

Table 6B

	1989	1988	1987	1986	1985	1984	1983	1982	1981	1980
State bond debt per capita	$752	$758	$715	$684	$615	$580	$527	$439	$357	$318
State bond debt/percent of personal income	4.18%	4.52%	4.51%	4.56%	4.35%	4.30%	4.14%	3.63%	3.17%	3.09%
Total debt service/percent of personal income	0.46%	0.47%	0.47%	0.46%	0.56%	0.81%	0.39%	1.16%	0.53%	0.29%
State bond debt/percent of market value of taxable property	1.78%	1.96%	1.88%	1.83%	1.68%	1.60%	1.50%	1.19%	1.04%	1.03%
Factors:										
Population (thousands)(1)	4,661	4,565	4,481	4,420	4,384	4,328	4,285	4,264	4,227	4,132
Personal income (in millions) (2)	$83,940	$76,543	$71,007	$66,281	$62,032	$58,416	$54,552	$51,548	$47,600	$42,510
Total debt service (in millions) (3)	$389	$363	$334	$308	$350	$475	$213	$599	$252	$125
Market value of taxable property (in millions)(4)	$197,041	$177,001	$170,298	$165,251	$160,347	$156,995	$150,999	$156,893	$144,466	$127,698
State bond debt (in millions) (3)	$3,505	$3,461	$3,205	$3,022	$2,696	$2,511	$2,259	$1,870	$1,509	$1,312

Note: Inventory removed from tax base in 1983.

Sources:
(1) Washington State Office of Financial Management, 1990 Population Trends for Washington State.
(2) Office of the Forecast Council, June 1990.
(3) Washington Office of State Treasurer, February 1990.
(4) Washington State Department of Revenue.

Ratio of Annual Debt Service to Expenditures All Governmental Fund Types Fiscal Years 1981 through 1990 (dollars in millions)

Table 7A

	1990	1989	1988	1987	1986	1985	1984	1983	1982	1981
Principal	$ 168.9	$ 144.4	$ 126.2	$ 111.5	$ 86.8	$ 86.4	$ 73.2	$ 60.9	$ 57.3	$ 54.6
Interest	232.9	226.4	218.0	199.8	209.5	193.8	177.1	135.8	119.1	81.5
Total Debt Service (1)(2)	$ 401.8	$ 370.8	$ 344.2	$ 311.3	$ 296.3	$ 280.2	$ 250.3	$ 196.7	$ 176.4	$ 136.1
Total Governmental Funds Expenditures (1)(2)(3)	$10,505.7	$9,620.0	$8,691.5	$8,379.7	$7,704.7	$7,590.5	$6,733.3	$6,326.2	$5,753.7	$5,822.4
Ratio Debt Service to Governmental Funds Expenditures	3.8	3.9	4.0	3.7	3.8	3.7	3.7	3.1	3.1	2.3

Notes: (1) Excludes $161.8 for refunding of bonds in FY 1985.
(2) Excludes $812.7 for refunding of bonds in FY 1986.
(3) Excludes $170.3 for refunding of bonds in FY 1987.

Revenue Bond Coverage Fiscal Years 1985 through 1990 (dollars in millions)

Table 7B

	1990	1989	1988	1987	1986	1985
Gross Revenues	$ 1,502	$ 1,386	$ 1,301	$ 1,182	$ 1,191	$ 1,008
Operating Expenses	1,579	1,508	1,501	1,135	1,160	1,284
Net Revenue Available for Debt Service	$ (77)	$ (122)	$ (200)	$ 47	$ 31	$ (276)
Debt Service Requirements:						
Principal	$ 7	$ 10	$ 7	$ 7	$ 1.5	$ 1.3
Interest	6	23	21	19	27	20
Total Debt Service Requirements	$ 13	$ 33	$ 28	$ 26	$ 29	$ 21
Coverage Ratio	(5.96)	(3.70)	(7.14)	1.81	1.09	(12.96)

Note: CAFR's have only been issued by Washington State since 1985; data reported is limited to that time period.

Total Resident Population and Components of Change Calendar Years 1981 through 1990 (figures in thousands)

Table 8A

	1990	1989	1988	1987	1986	1985	1984	1983	1982	1981
Population	4,782.0	4,660.7	4,565.0	4,481.1	4,419.7	4,384.1	4,328.1	4,285.1	4,264.0	4,226.6
Population change:										
Number..................	121.3	95.7	83.9	61.4	35.6	56.0	43.0	21.1	37.4	94.4
Percent.................	2.6	2.1	1.9	1.4	0.8	1.3	1.0	0.5	0.9	2.3
Births number............	72.8	73.5	71.0	69.3	70.2	69.1	68.5	69.5	70.1	68.2
Deaths number............	37.5	36.6	36.0	34.4	34.0	34.0	33.2	32.5	31.7	31.8
Net migration number.....	86.0	58.8	48.9	26.5	(0.6)	20.9	7.8	(15.8)	(0.9)	58.1

Notes: The 1981 estimate for the State was recalculated using 1980 population counts by age which were not available in the spring of 1981.
Births, deaths, and migration year figures are April through March.
Population figures are as of April 1 of each year.
Birth and death figures are estimated for the year 1990.

Source: Washington State Economic and Revenue Forecast Council - June 1990.

Employment Comparison Washington vs. United States Calendar Years 1980 through 1989 (figures in thousands)

Table 8B

Total Civilian	1989	1988	1987	1986	1985	1984	1983	1982	1981	1980
Labor Force:										
Washington State......	2,451	2,316	2,257	2,198	2,091	2,051	2,068	2,025	1,997	1,985
Percent change........	5.8	2.6	2.7	5.1	2.0	(0.8)	2.1	1.4	0.6	2.6
United States.........	123,800	121,700	119,800	117,800	115,464	113,531	111,518	110,246	108,671	106,973
Percent change........	1.7	1.6	1.7	2.0	1.7	1.8	1.2	1.4	1.6	1.9
Employment:										
Washington State......	2,300	2,173	2,087	2,018	1,921	1,857	1,838	1,779	1,806	1,828
Percent change........	5.8	4.1	3.4	5.0	3.5	1.0	3.3	(1.5)	(1.2)	1.3
United States.........	117,300	115,000	112,400	109,600	107,154	105,005	100,824	99,531	100,396	99,303
Percent change........	2.0	2.3	2.6	2.3	2.0	4.1	1.3	(0.9)	1.1	0.5

Sources: Washington State Department of Employment Security.
U.S. Department of Labor, Bureau of Labor Statistics.
Washington State Office of Financial Management - Forecasting Division.

Labor Force and Employment by Sector Calendar Years 1980 through 1989 (figures in thousands)

Table 9A

	1989	1988	1987	1986	1985	1984	1983	1982	1981	1980
RESIDENT CIVILIAN LABOR FORCE AND EMPLOYMENT IN WASHINGTON STATE (1)										
Civilian labor force	2,450.9	2,315.8	2,257.0	2,198.0	2,091.0	2,050.8	2,068.4	2,024.6	1,996.7	1,984.6
Unemployment	151.2	142.8	170.4	180.1	169.8	193.6	230.5	245.7	190.8	156.6
Total Employment	2,299.7	2,173.0	2,086.6	2,017.9	1,921.2	1,857.2	1,837.9	1,778.9	1,805.9	1,828.0
Unemployment percentage rate	6.2%	6.2%	7.5%	8.2%	8.1%	9.4%	11.1%	12.1%	9.6%	7.9%
NONAGRICULTURAL WAGE AND SALARY WORKERS EMPLOYED IN WASHINGTON STATE										
Manufacturing:										
Food processing	35.5	34.2	32.3	31.1	31.1	30.8	31.1	31.8	31.7	32.0
Lumber and wood	41.1	41.7	40.4	38.4	38.3	41.3	42.2	39.4	44.4	47.0
Paper and pulp	18.3	17.1	16.6	16.7	16.7	16.2	15.8	16.1	17.2	17.6
Chemicals	12.2	12.5	11.4	11.5	11.3	10.5	10.1	9.5	9.2	8.7
Metals and machinery	55.6	52.0	51.2	51.9	51.6	51.6	47.6	50.8	53.5	54.6
Aerospace	112.9	101.0	92.9	84.9	76.1	66.6	65.0	74.9	79.0	79.6
Other transportation equipment	15.6	15.2	13.3	12.6	13.5	15.6	15.2	17.2	18.4	18.7
Other manufacturing	70.0	68.2	60.2	57.9	56.9	55.5	51.4	49.3	49.8	50.5
Total Manufacturing	361.2	341.9	318.3	305.0	295.5	288.1	278.4	289.0	303.2	308.7
Nonmanufacturing:										
Construction	106.4	96.5	88.8	84.4	80.4	79.5	74.1	76.4	90.4	92.9
Transportation, communications & utilities	107.8	101.9	98.5	96.2	93.6	91.2	87.9	89.0	90.1	91.4
Trade	500.8	477.4	458.0	436.4	420.6	411.5	393.8	385.4	388.2	381.4
Finance, insurance, and real estate	112.3	109.4	107.5	104.9	99.6	95.7	92.3	90.7	92.3	91.8
Services and misc. (2)	476.9	447.0	423.1	393.8	377.7	359.2	335.5	319.9	321.4	311.7
State and local govt	307.4	297.4	286.6	279.8	272.8	265.7	256.4	252.2	259.9	263.0
Federal civilian govt	72.0	71.4	70.6	69.2	70.1	68.9	67.6	66.3	66.5	67.9
Total Nonmanufact'g	1,683.6	1,601.0	1,533.1	1,464.7	1,414.8	1,371.7	1,307.6	1,279.9	1,308.8	1,300.1
Total Wage and Salary Workers	2,044.8	1,942.9	1,851.4	1,769.7	1,710.3	1,659.8	1,586.0	1,568.9	1,612.0	1,608.8

Notes: Figures may not total due to rounding.
(1) Average of Monthly Data.
(2) Includes Mining and Quarrying.

Source: Washington State Office of Financial Management - Forecasting Division.

Average Annual Wage Rates Calendar Years 1980 through 1989

Table 9B

	1989	1988	1987	1986	1985	1984	1983	1982	1981	1980
Construction	$25,051	$23,847	$22,969	$22,501	$21,921	$22,958	$23,870	$25,389	$24,532	$22,048
Finance, insurance and real estate	26,105	25,378	24,153	22,772	21,230	21,104	20,284	18,969	16,752	15,328
Federal government	29,229	27,696	26,510	25,543	25,506	24,850	24,563	22,750	21,213	19,662
State and local govt	22,008	21,122	20,424	19,659	19,013	18,012	17,320	16,766	15,776	14,273
Mining	36,256	32,306	29,994	29,404	27,976	28,359	26,618	25,931	23,943	22,059
Transportation, communications and utilities	29,563	28,873	28,027	27,351	26,911	26,585	26,145	24,487	23,212	21,036
Services	19,299	18,769	18,260	17,399	16,759	15,875	15,563	15,121	14,457	13,197
Retail trade	13,597	12,882	12,355	12,150	11,954	11,808	11,645	11,179	10,608	9,938
Wholesale trade	26,748	25,895	24,794	24,241	23,440	23,226	22,105	21,456	20,518	18,992

Source: Washington State Office of Financial Management - Forecasting Division.

Personal Income Comparison Washington vs. United States Calendar Years 1980 through 1989 (dollars in billions)

Table 10A

	1989	1988	1987	1986	1985	1984	1983	1982	1981	1980
CURRENT DOLLARS										
Washington										
Amount	84.0	76.5	71.0	66.3	62.0	58.4	54.6	51.4	49.3	44.6
Percent change	9.7	7.8	7.1	6.8	6.2	7.1	6.1	4.4	10.5	12.9
United States										
Amount	4,427.3	4,064.5	3,777.6	3,526.2	3,325.4	3,108.8	2,838.6	2,670.8	2,520.9	2,258.5
Percent change	8.9	7.6	7.1	6.0	7.0	9.5	6.3	5.9	11.6	11.0
1982 CONSTANT DOLLARS										
Washington										
Amount	64.6	61.5	59.3	58.0	55.6	54.1	52.4	51.4	52.1	51.4
Percent change	5.1	3.7	2.3	4.3	2.8	3.2	1.9	(1.2)	1.3	1.8
United States										
Amount	3,405.6	3,264.6	3,153.9	3,083.7	2,979.0	2,877.8	2,726.8	2,671.2	2,664.5	2,607.7
Percent change	4.3	3.5	2.3	3.5	3.5	5.5	2.1	0.3	2.2	0.2

Source: Washington State Office of Financial Management - Forecasting Division.

Personal Income by Component Calendar Years 1980 through 1989 (dollars in billions)

Table 10B

	1989	1988	1987	1986	1985	1984	1983	1982	1981	1980
Total personal income	84.0	76.5	71.0	66.3	62.0	58.4	54.6	51.4	49.3	44.6
Percent change	9.7	7.8	7.1	6.8	6.2	7.1	6.1	4.4	10.5	12.9
Total earnings	59.8	54.7	50.7	47.3	43.8	41.5	38.8	36.8	35.9	33.4
Percent change	9.4	7.8	7.4	8.0	5.5	7.0	5.5	2.4	7.6	10.1
Wages and salaries	48.6	44.5	41.0	38.2	35.7	33.7	31.5	30.4	29.5	26.9
Percent change	9.3	8.4	7.3	7.1	5.8	7.1	3.6	3.0	9.6	10.8
Other labor income	4.2	3.8	3.5	3.3	3.1	3.0	2.9	2.8	2.6	2.4
Percent change	12.4	8.0	6.5	6.7	1.3	3.6	4.2	8.2	9.8	16.6
Farm proprietor's income	1.2	1.0	1.1	1.1	0.7	0.9	0.9	0.6	0.8	0.7
Percent change	15.1	(10.4)	0.6	55.1	(18.1)	(4.5)	45.4	(16.6)	4.8	18.0
Nonfarm proprietor's income	5.8	5.4	5.1	4.6	4.3	3.8	3.4	2.9	3.0	3.3
Percent change	6.9	6.6	9.9	9.0	11.6	11.9	17.8	(3.5)	(10.1)	(0.6)
Less: Personal contributions for social insurance	3.9	3.5	3.1	2.9	2.6	2.3	2.2	2.0	1.9	1.6
Percent change	13.9	12.9	7.5	10.1	10.9	8.3	6.7	7.2	16.6	11.0
Plus: Residence adjustment	0.6	0.5	0.5	0.5	0.5	0.4	0.4	0.4	0.4	0.4
Percent change	7.0	4.0	7.4	1.5	14.3	(0.7)	1.7	4.7	(1.0)	17.6
Dividends, interest, and rent	14.9	13.2	11.9	11.1	10.6	9.9	9.0	8.3	7.8	6.3
Percent change	13.5	10.3	7.5	4.8	7.4	9.8	8.0	7.2	23.9	19.1
Transfer payments	12.6	11.6	10.9	10.3	9.8	9.0	8.6	8.0	7.1	6.2
Percent change	8.5	6.7	5.7	4.9	8.8	5.3	7.3	12.2	15.4	22.3

Note: Figures may not total due to rounding.

Source: Washington State Office of Financial Management - Forecasting Division.

Full-Time Equivalent Staff Comparison
Allotted Funds
Fiscal Years 1981 through 1990

Table 11A

Function	1990	1989	1988	1987	1986	1985	1984	1983	1982	1981
General government.......	7,111	6,982	6,555	6,239	5,960	5,839	5,654	5,568	5,458	5,685
Human services...........	25,806	24,320	23,325	22,649	21,741	21,111	20,487	19,147	18,773	18,838
Natural resources and recreation.............	5,851	5,662	5,080	4,883	4,781	4,657	4,330	4,058	4,220	4,589
Transportation...........	8,909	8,504	8,576	8,655	8,545	8,489	7,951	7,640	7,721	7,926
Education................	32,611	31,669	30,538	29,876	28,920	28,551	27,991	27,446	28,098	29,536
Total Regular..........	80,288	77,137	74,074	72,302	69,947	68,647	66,413	63,859	64,270	66,574
Special employment programs...............	....	....	....	....	341	331	310	352	446	1,554
Total State............	80,288	77,137	74,074	72,302	70,288	68,978	66,723	64,211	64,716	68,128

Notes: A Full-Time Equivalent (FTE) is one full calendar year of paid employment, or the equivalent of 2,088 hours (the number of available work-hours in a year). It is not the number of employees on the payroll, nor is it the number of positions in state government. It is a computed average number of state employees based upon cumulative FTE staff months during one fiscal year or cumulative hours paid during one fiscal year.

The FTE staff years can be computed two ways:
1. By accumulating all FTE staff months for a full year and dividing by twelve.
2. By accumulating all paid hours for one full year and dividing by 2,088 (the available work hours in a year).

Source: Washington State Office of Financial Management - Accounting and Fiscal Services Division.

Full-Time Equivalent Staff Comparison
General Fund
Fiscal Years 1981 through 1990

Table 11B

Function	1990	1989	1988	1987	1986	1985	1984	1983	1982	1981
General government.......	2,675	2,752	2,492	2,458	2,372	2,410	2,279	2,320	2,327	2,532
Human services...........	14,403	13,525	13,379	13,166	13,219	12,237	11,734	10,307	10,001	9,472
Natural resources and recreation.............	2,780	2,747	2,493	2,191	2,238	1,988	1,762	1,561	1,816	1,979
Transportation...........	432	434	386	368	326	297	296	333	300	297
Education................	19,576	18,986	18,532	18,325	17,907	17,664	17,671	16,130	16,984	17,893
Total..................	39,866	38,444	37,282	36,508	36,062	34,596	33,742	30,651	31,428	32,173

Notes: A Full-Time Equivalent (FTE) is one full calendar year of paid employment, or the equivalent of 2,088 hours (the number of available work-hours in a year). It is not the number of employees on the payroll, nor is it the number of positions in state government. It is a computed average number of state employees based upon cumulative FTE staff months during one fiscal year or cumulative hours paid during one fiscal year.

The FTE staff years can be computed two ways:
1. By accumulating all FTE staff months for a full year and dividing by twelve.
2. By accumulating all paid hours for one full year and dividing by 2,088 (the available work hours in a year).

Source: Washington State Office of Financial Management - Accounting and Fiscal Services Division.

Public School Enrollment Grades K-12 Average Annual Full-Time Equivalent Enrollment Academic Years 1980 through 1990

Table 12A

Grades	1989-90	1988-89	1987-88	1986-87	1985-86	1984-85	1983-84	1982-83	1981-82	1980-81
K-8	551,232	527,832	506,853	487,902	474,549	471,601	473,620	477,511	484,703	489,452
9-12	217,124	220,588	226,997	232,834	234,400	230,946	225,999	224,263	228,061	233,164
Total All Grades	768,356	748,420	733,850	720,736	708,949	702,547	699,619	701,774	712,764	722,616

Annual Average for Ten Year Period	
K-8	494,526
9-12	227,438
Total All Grades	721,964

Note: A Full-Time Equivalent student is defined as:
a. Kindergarten -- 4 classroom hours/day for 90 days or 2 classroom hours/day for 180 days.
b. Grades 1 through 3 -- 4 classroom hours/day for 180 days.
c. Grades 4 through 12 -- 5 classroom hours/day for 180 days.

Source: Washington State Office of Financial Management - Forecasting Division.

Public Higher Education Enrollment Average Annual Full-Time Equivalent Enrollment Academic Years 1980 through 1990

Table 12B

	1989-90	1988-89	1987-88	1986-87	1985-86	1984-85	1983-84	1982-83	1981-82	1980-81
Community Colleges	85,896	84,392	84,304	84,406	83,556	83,225	82,317	82,109	86,101	100,357
4 Year Schools	71,076	70,315	69,571	69,191	68,927	69,570	69,965	70,012	71,767	74,090
Total	156,972	154,707	153,875	153,597	152,483	152,795	152,282	152,121	157,868	174,447

Annual Average for Ten Year Period	
Community Colleges	85,666
4 Year Schools	70,448
Total	156,114

Notes: A Full-Time Equivalent student is defined as:
a. Undergraduate student -- 15 credit hours per term.
b. Graduate student -- 10 credit hours per term.

Beginning in 1985-86, enrollment at the Tri-Cities University Center is included within the University of Washington enrollment counts.

Source: Washington State Office of Financial Management - Forecasting Division.

Value of Agricultural Production Calendar Years 1980 through 1989 (dollars in millions)

Table 13A

	1989 as a % of 1988	1989	1988	1987	1986	1985	1984	1983	1982	1981	1980
Field crops................	99.2	$1,373.0	$1,384.2	$ 987.5	$1,054.6	$1,229.6	$1,508.7	$1,484.6	$1,356.1	$1,411.7	$1,432.1
Fruit and nut crops........	96.7	700.1	724.2	555.5	683.0	490.0	461.5	502.1	389.0	438.4	369.8
Vegetable crops............	114.9	219.6	191.2	171.1	162.3	156.0	149.7	138.8	144.9	138.8	119.5
Seed crops (1).............	78.5	31.8	40.5	35.6	26.2	25.2	N/A	N/A	N/A	32.0	41.8
Berry crops................	103.0	33.2	32.3	31.1	24.1	27.4	21.1	26.8	28.8	22.3	17.3
Total Crops..............	99.4	2,357.7	2,372.4	1,780.8	1,950.1	1,928.2	2,141.1	2,152.3	1,918.7	2,043.1	1,980.5
Specialty products (2).....	119.3	375.0	314.3	274.3	226.7	215.7	195.4	179.0	170.1	173.2	160.4
Livestock and livestock products.................	109.5	1,130.3	1,031.8	924.5	886.3	885.2	939.5	908.4	892.5	881.8	811.0
State Total..............		$3,863.0	$3,718.6	2,979.6	$3,063.1	$3,029.0	$3,276.0	$3,239.8	$2,981.3	$3,098.2	$2,951.9

Notes: (1) Seed crops not available for 1982 through 1984 due to program modifications.
(2) Includes forestry products, nursery products, greenhouse products, other horticultural products, and mushrooms.

Source: Washington State Department of Agriculture.

Rank Order of Principal Commodities Value Calendar Years 1980 through 1989 (dollars in thousands)

Table 13B

Commodities	Rank 1989	1989	1988	1987	1986	1985	1984	1983	1982	1981	1980	% Change 89 vs 88
Milk..................	1	$559,224	$495,851	$474,991	$468,980	$478,471	$466,845	$476,019	$439,991	$416,723	$382,647	13
Wheat.................	2	447,970	522,158	322,284	293,294	437,333	553,208	636,783	561,076	659,932	637,676	(14)
Apples................	3	436,000	505,050	348,000	488,400	348,740	326,220	348,790	252,895	301,530	247,695	(14)
Cattle and calves.....	4	402,172	401,461	325,594	294,337	287,784	339,578	317,284	335,024	335,151	307,939	0
Potatoes..............	5	321,550	284,625	244,404	266,385	219,524	293,164	229,840	198,000	209,034	209,034	13
Hay...................	6	253,260	222,391	143,117	172,440	219,278	235,141	206,848	201,894	170,314	216,563	14
Nursery products......	7	140,000	130,000	125,000	94,000	98,000	100,000	100,000	104,311	98,366	91,094	8
All pears.............	8	103,118	90,486	67,717	75,832	69,126	55,428	48,973	52,005	55,352	54,571	14
Eggs..................	9	79,131	55,402	48,211	55,577	55,103	67,803	58,110	60,253	64,603	53,095	43
Grapes................	10	69,158	44,601	55,356	37,120	20,642	20,853	34,252	31,299	30,102	25,865	55
Sweet cherries........	11	67,390	60,918	68,332	59,437	36,527	40,654	55,709	37,888	41,479	30,139	11
Barley................	12	65,366	85,064	66,338	75,150	110,448	143,325	140,352	110,184	110,200	93,948	(23)
Hops..................	13	57,691	54,062	49,365	56,439	66,002	86,732	92,061	93,067	89,205	86,166	7
Asparagus.............	14	55,074	47,198	40,257	40,612	42,443	37,454	35,158	33,145	29,268	20,894	17
Chickens and broilers.	15	51,363	41,661	36,045	36,049	34,060	36,876	30,056	29,760	31,373	27,059	23
Corn for grain........	16	44,100	40,800	29,240	36,720	57,240	69,750	63,712	72,000	45,201	42,240	8
Sweet corn............	17	38,864	33,441	30,867	24,531	27,240	21,240	24,187	35,856	23,910	20,675	16
Onions................	18	36,001	26,776	27,342	23,770	13,540	20,344	21,555	7,910	22,330	14,562	34
Aquaculture...........	19	33,206	41,778	24,228	22,984	N/A	N/A	N/A	N/A	N/A	N/A	(21)
Mint oil..............	20	30,397	35,046	26,461	27,991	26,862	25,196	17,814	13,409	16,734	19,885	(13)
Proc. green peas......	21	25,977	21,361	21,714	20,431	23,616	26,932	20,037	25,455	17,907	18,406	22
Corn for silage.......	22	25,000	24,000	22,000	27,000	26,620	26,450	28,750	30,360	24,182	27,531	4
Dry edible beans......	23	23,318	20,850	11,488	11,926	12,922	12,585	6,497	10,341	25,530	29,700	12
Dry edible peas.......	24	20,129	21,593	16,112	18,054	12,981	15,743	19,161	18,614	14,729	17,993	(7)
Alfalfa seed..........	25	17,582	16,770	11,172	10,537	14,127	N/A	N/A	N/A	10,736	9,045	5
Red raspberries.......	26	16,269	13,482	12,109	10,509	9,433	8,047	7,482	11,892	7,410	4,700	21
Carrots...............	27	14,407	17,412	10,831	12,270	11,257	10,941	8,871	7,436	9,781	11,128	(17)
Lentils...............	28	11,794	10,056	12,804	26,637	18,270	11,882	9,775	21,165	22,688	43,358	17
Ky. Bluegrass seed....	29	11,470	20,064	19,404	13,407	8,356	N/A	N/A	N/A	7,436	8,288	(43)
Peaches...............	30	11,212	9,660	7,076	9,105	7,365	9,239	6,244	6,021	4,719	5,549	16

Note: N/A indicates data not available.

Source: Washington State Department of Agriculture.

International Trade Facts All Washington Ports Calendar Years 1980 through 1989 (dollars in millions)

Table 14A

	1989	1988	1987	1986	1985	1984	1983	1982	1981	1980
Exports (1)............	$ 28,544	$ 22,350	$ 16,694	$ 15,837	$ 13,216	$ 11,611	$ 12,458	$ 11,345	$ 14,735	$ 14,023
Imports..................	35,658	32,592	29,741	25,040	20,402	19,190	18,238	16,079	18,043	16,128
Trade Balance............	(7,114)	(10,242)	(13,047)	(9,203)	(7,186)	(7,579)	(5,780)	(4,734)	(3,308)	(2,105)
Two Way Trade............	64,202	54,942	46,435	40,877	33,618	30,801	30,696	27,424	32,778	30,151

Note: (1) These figures indicate total international trade from the state of Washington, including bonded shipments to other states and Canada. (Includes Boeing Company figures.)

Source: Washington State Department of Trade and Economic Development (U.S. Census Bureau).

Major Export Trading Partners Calendar Years 1980 through 1989 (dollars in millions)

Table 14B

Partners	1989	1988	1987	1986	1985	1984	1983	1982	1981	1980
Japan.....................	$7,132	$6,393	$4,688	$4,175	$3,477	$3,502	$2,325	$2,462	$2,723	$3,154
Canada....................	4,618	3,903	2,609	2,483	2,114	2,296	1,971	1,865	2,559	2,356
Republic of Korea.........	2,452	1,787	1,314	1,110	1,021	963	786	599	669	628
United Kingdom............	1,998	1,567	1,213	550	542	298	101	165	134	138
Fed. Rep. of Germany......	1,485	747	616	723	525	35	40	49	57	48
Taiwan....................	1,380	1,229	753	637	659	632	484	269	443	358
Hong Kong (British).......	973	668	685	530	411	60	53	44	35	24
Singapore.................	956	472	302	402	522	483	N/A	N/A	N/A	N/A
Netherlands...............	914	293	358	415	187	145	N/A	N/A	N/A	N/A
Australia.................	806	866	611	986	932	701	73	81	86	78

Notes: 1980-1984 statistics represent exports from all Washington State ports by water-borne.
1985-1989 statistics are based on all Washington State ports, all methods of transportation.
N/A indicates data not available.

Source: Washington State Department of Trade and Economic Development (U.S. Census Bureau).

Major Import Trading Partners Calendar Years 1980 through 1989 (dollars in millions)

Table 14C

Partners	1989*	1988*	1987*	1986*	1985*	1984*	1983*	1982*	1981	1980
Japan....................	$16,477	$15,359	$13,428	$11,438	$9,216	$8,523	$6,668	$6,239	$6,410	$4,900
Canada...................	4,149	3,683	3,367	3,009	2,077	1,947	2,347	1,748	2,052	2,030
Republic of Korea.......	3,501	3,508	2,989	1,929	1,349	1,259	1,334	1,024	1,279	1,177
Taiwan..................	2,936	3,143	3,643	3,044	3,214	3,165	2,730	2,419	2,684	2,606
China (Mainland)........	1,762	1,152	784	623	464	247	34	29	82	53
Hong Kong (British).....	1,365	1,364	1,328	1,248	950	970	1,189	1,104	1,318	1,335
United Kingdom..........	753	256	469	441	464	208	N/A	N/A	N/A	N/A
Australia...............	703	515	522	440	311	151	70	114	144	64
Singapore...............	695	675	550	438	315	312	246	206	188	140
France..................	648	502	483	634	532	497	421	449	458	5[illegible]

Notes: *Based on all Washington State ports, all methods of transportation.
N/A indicates data not available.

Source: Washington State Department of Trade and Economic Development (U.S. Census Bureau).

GRAPHICS ACKNOWLEDGEMENTS

ORIGINAL ART WORK

MARVIN OLIVER

The art work for our cover was contributed by Mr. Marvin Oliver. He is an internationally acclaimed contemporary Native American artist working in the media of metals, glass, wood and paper. In addition, Marvin contributed the art piece on page 10 entitled, "Spawning Salmon."

Mr. Oliver in an instructor of Northwest Coast Art at the University of Washington and a part-time faculty member at the University of Alaska in Ketchikan. His works are available through Alaska Eagle Arts, P.O. Box 4518, Seattle, Washington 98104, telephone (206) 633-3979.

CYNTHIA MARTINEZ

In 1986 Cynthia Martinez studied two dimensional northwest coast art under the direction of Marvin Oliver and Robin Wright. Her silk screened designs are based on myths and legends of the Northwest Coast Indians. These designs are her way of sharing and informing people of the beauty and complexity of the art form practiced for generations among Coast Indians.

As a native American artist, it is her intent that these works reflect a true understanding of the traditional forms and concepts of northwest coast art. For further information on Cynthia's works, you may write her at 6526 Jones N.W., Seattle, Washington 98117, or call (206) 789-2597.

PETER DUNTHORNE

Peter Dunthorne's beautiful two-dimensional designs are in the style of the Northern Coastal Indian art. Working within this strict artistic style, his designs represent mythic characters such as the crests of high ranking Indian families. Dunthorne is one of a handful of artists who have truly mastered the classic style of design, and whose work lives up to the implied expectations of the old master artists whose work now lie in museum collections.

His designs are featured on handcrafted Western Red Cedar wood products. These are marketed through the Upper Skagit Wood Products, 2284 Community Plaza, Sedro Woolley, Washington, telephone (206) 856-5501.

PHOTOGRAPH ACKNOWLEDGEMENTS

Jeff Hottowe - Makah Tribe
Wolf Mask Dance - page 20.

Lummi Indian Business Council
Six Lummis in Ceremonial Costumes - AC# 519 p.1 - page 82.

Polson Park and Museum Historical Society
Inside a Quinault Longhouse C.1900 - page 38.

Suquamish Tribal Archives
Young Muckleshoot Girl in Traditional Cedar Bark Clothing, C.1910. STA 0901 - page 26.

University of Washington Libraries - Special Collections Division
Portrait of Young Yakima Couple With Beadwork, Pipe, and Woven Bag, Unknown. Negative No.: NA 1870 - page 106.
Mat Lodge - Yakima, E.S. Curtis, 1910. Negative No.: NA 2 - page 152.
Yakima Infant in Beaded Cradleboard, Norman Edson, 1932. Negative No.: NA 590 - page 127.
Root Digger - Yakima, E.S. Curtis, 1909. Negative No.: NA 4 - page 112.
Fishing Camp - Skokomish, E.S. Curtis, 1912. Negative No.: NA 311 - page 24.
Wishham Female Profile, E.S. Curtis, 1910. Negative No.: NA 165 - page 156.
Wishham Young Woman, E.S. Curtis, 1909. Negative No.: NA 172 - page 156.

Washington State Historical Society
Makah Basket Weavers, Asahel Curtis - page 74.

Washington State Capital Museum
Yakima Chiefs, A.D. Rogers, C. 1930 - page 100.

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Lummi Tribe - Nugent, A., *Lummi Elders Speak,* Lynden Tribune, 1982.
Suquamish Tribe - Suquamish Museum, *The Eyes of Chief Seattle,* The Suquamish Museum, 1985.
Yakima Nation - Yakima Nation Media Program, *The Challenge of Spilyay,* Yakima Nation Museum Program, 1984.
Quinault Indian Nation - Clarence Pickernell, Quinault Historical Foundation.
Harlan Sam, - Upper Skagit Tribe, "Legend of the Eagle."
Jeff Hottowe - Makah Tribe, "Potlatching."

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2201 South Hill Street, Seattle, Washington 98144 - Telephone (206) 322-8311.

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Peter Dunthorne

This Is My Land

This is my land
From the time of the first moon
Till the time of the last sun
It was given to my people.
Wha-neh Wha-neh, the great giver of life
Made me out of the earth of this land
He said, "You are the land, and the land is you."
I take good care of this land,
For I am part of it.
I take good care of the animals,
For they are my brothers and sisters.
I take care of the streams and rivers,
For they clean my land.
I honor Ocean as my father,
For he gives me food and a means of travel.
Ocean knows everything, for he is everywhere
Ocean is wise, for he is old.
Listen to Ocean, for he speaks wisdom.
He sees much, and knows more.
He says, "Take care of my sister, Earth,
She is young and has little wisdom, but much kindness."
"When she smiles, it is springtime."
"Scar not her beauty, for she is beautiful beyond all things."
Her face looks eternally upward to the beauty of sky and stars,
Where once she lived with her father, Sky,"
I am forever grateful for this beautiful and bountiful earth.
God gave it to me
This is my land.

Clarence Pickernell, Quinault Indian Nation

ACKNOWLEDGEMENTS

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